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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter II—The Loyalty Review Board

PART 220—DIRECTIVES TO DEPARTMENTS AND AGENCIES; CASES OF INCUMENT AND EXCEPTED EMPLOYEES AND EXCEPTED APPLICANTS

PART 230—DIRECTIVES TO REGIONAL LOYALTY BOARDS; CASES OF APPLICANTS AND APPOINTEES IN THE COMPETITIVE SERVICE

MISCELLANEOUS AMENDMENTS

1. Paragraph (d) of § 220.1 is revoked.
 2. Paragraphs (f) and (g) of § 220.2 are amended to read as follows:

§ 220.2 Directive II; initial consideration of loyalty cases. * * *

(f) *Action in cases of incumbent and excepted employees where initial consideration indicates that a finding of removal may be warranted.* In all cases in which the evidence indicates that removal action may be warranted, the board shall serve the incumbent or excepted employee with a notice in writing stating the charges against him in factual detail, setting forth with particularity the facts and circumstances relating to the charges so far as security considerations will permit, in order to enable the employee to submit his answer, defense or explanation, and of the proposed removal action. This notice shall be given to the employee at least thirty full calendar days in advance of the effective date of the proposed removal action, except as provided in § 22.2 (a) (2) of Civil Service Commission regulations (Chapter I of this title). In computing the notice period, the day on which the notice is received by the employee is not counted. The notice shall give the employee the information set forth in paragraph (g) of this section.

(g) *Contents of notice of proposed removal action.* The notice of proposed removal action required in paragraph (f) of this section shall state to the employee:

(1) The charges against him in factual detail, setting forth with particu-

larity the facts and circumstances relating to the charges so far as security considerations will permit, in order to enable the employee to submit his answer, defense or explanation.

(2) His right to answer the charges in writing, under oath or affirmation, within a specified reasonable period of time, not less than ten (10) calendar days from the date of the receipt by the employee of the notice.

(3) His right to have an administrative hearing on the charges before a loyalty board in the agency, upon his request.

(4) His right to appear before such board personally, to be represented by counsel or representative of his own choosing, and to present evidence in his behalf.

(5) The work and pay status in which he will be carried during the period of the notice or until the determination of the agency loyalty board.

(6) The fact that the proposed removal action will not become effective in less than thirty (30) full calendar days (excluding the day of receipt of notice) from the date of receipt by the employee of the notice.

(7) The authority or authorities (Executive Order 9835 and any applicable statutes, such as section 9A of the Hatch Act and/or section 14 of the Veterans' Preference Act of 1944) under which the notice is being sent.

3. Paragraph (e) of § 230.1 is revoked.
 4. Paragraph (b) of § 230.6 is amended to read as follows:

§ 230.6 Directive VI; records, files and reports. * * *

(b) *Procedure in cases of separation, withdrawal and furlough—(1) Separation.* Adjudication shall be discontinued in any case in which the individual is separated from the service prior to decision by a loyalty board, except in cases in which the individual has an eligibility from which he may receive another appointment and from which eligibility he is interested in obtaining further Federal employment.

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(2) *Withdrawal.* Adjudication shall be discontinued in any case in which an applicant states that he is no longer interested in obtaining Federal employment, and his known applications and eligibilities shall be cancelled.

(3) *Furlough.* When an individual is in a furlough or leave-without-pay status, including furlough in a reduction of force, or is on a reinstatement reserve list, the board shall proceed with adjudication, except when the circumstances are such that adjudicative action cannot be taken, and except in cases of military furlough in which it is necessary or desirable to issue interrogatories. In such exceptional cases, the board shall request the employing agency to inform Central Office Investigations Division if the individual returns to duty in order that arrangements may be made to complete adjudication, and shall take any necessary additional precautionary action to insure completion of adjudication. (Part III, E. O. 9835, Mar. 21, 1947, 12 F. R. 1935; 3 CFR 1947 Supp.)

Approved February 13-14, 1951.

LOYALTY REVIEW BOARD,
UNITED STATES CIVIL SERV-
ICE COMMISSION,
HIRAM BINGHAM,
Chairman.

[F. R. Doc. 51-3843; Filed, Mar. 28, 1951;
8:57 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Market-
ing Administration and Commodity
Credit Corporation, Department of
AgricultureSubchapter C—Loans, Purchases, and Other
Operations

PART 610—DAIRY PRODUCTS

SUBPART—MILK AND BUTTERFAT PRICE SUP-
PORT PROGRAM

The U. S. Department of Agriculture will support the general levels of prices to producers for milk and butterfat, from April 1, 1951, through March 31, 1952,

Commodity	Description	Unit	Price
Butter	U. S. Grade A or higher U. S. Grade B	Pound	\$0.66
Nonfat dry milk solids	(Spray process, U. S. Extra Grade Roller process, U. S. Extra Grade	do	.15
Cheddar cheese	U. S. Grade A or higher, Standard moisture basis	do	.13
		do	.36

(b) The butter shall be salted creamy butter of U. S. Grade B or higher, solid-packed in commercial containers. The nonfat dry milk solids shall be U. S. Extra Grade, packed in export containers. The Cheddar Cheese shall be U. S. Grade A or higher, packed in commercial domestic containers.

(c) The products purchased shall be produced and located in the continental United States. Purchases will be made in units of not less than tariff minimum carlots for the area where the product is located. Grades and weights shall be evidenced by inspection certificates issued by the U. S. Department of Agriculture.

(d) Purchases will be made by CCC subject to the terms and conditions of purchase announcements issued by the Dairy Branch, Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C. (Sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup., 714b. Interprets or applies secs. 5, 1, 62 Stat. 1072, 1247; 15 U. S. C. Sup., 714c, 7 U. S. C. and Sup., 1282)

Issued this 23d day of March 1951.

[SEAL] ELMER K. KRUSE,
Vice President,
Commodity Credit Corporation.

Approved:

Frank K. Woolley,
Acting President,
Commodity Credit Corporation.

[F. R. Doc. 51-3814; Filed, Mar. 28, 1951;
8:49 a. m.]

TITLE 12—BANKS AND
BANKING

Chapter II—Federal Reserve System

Subchapter A—Board of Governors of the
Federal Reserve System

[Reg. A]

PART 201—DISCOUNTS FOR AND ADVANCES
TO MEMBER BANKS BY FEDERAL RESERVE
BANKSDISCOUNT OF NOTES, DRAFTS, AND BILLS FOR
MEMBER BANKS

1. Effective March 21, 1951, paragraph (h) of § 201.1 is amended to read as follows:

through purchases of manufactured dairy products by Commodity Credit Corporation (hereinafter called CCC) as provided herein. These purchases will support national average prices to producers at approximately \$3.60 per hundredweight for manufacturing milk of 3.95 percent butterfat (yearly average test) and 67.6 cents per pound for butterfat.

§ 610.130 Price support program for milk and butterfat. (a) CCC will purchase, during the period April 1, 1951 through March 31, 1952, butter, nonfat dry milk solids and Cheddar cheese at the following prices:

(h) *Determination of eligibility.* A Federal Reserve Bank shall take such steps as may be necessary to satisfy itself as to the eligibility of any paper offered for discount. Compliance of paper with the provisions of paragraph (a) (2) of this section may be evidenced by a statement which adequately reflects the borrower's financial worth and evidences a reasonable excess of quick assets over current liabilities, or such compliance may be evidenced in any other manner satisfactory to the Federal Reserve Bank. The requirement of this section that a note be negotiable shall not be applicable with respect to any note evidencing a loan which is made pursuant to a commodity loan program of the Commodity Credit Corporation and which is subject to a commitment to purchase by the Commodity Credit Corporation or with respect to any note evidencing a loan which is in whole or in part the subject of a guarantee or commitment made pursuant to section 301 of the Defense Production Act of 1950.

2. (a) The purpose of this amendment is to facilitate the program of guaranteed loans authorized by section 301 of the Defense Production Act of 1950, by exempting notes evidencing guaranteed loans from the requirements of this part that a note be negotiable in order to be eligible for discount or as security for advances by Federal Reserve Banks to member banks.

(b) The notice, public participation, and deferred effective date described in section 4 of the Administrative Procedure Act are not followed in connection with this amendment for the reasons and good cause found as stated in § 262.2 (e) of the Board's rules of procedure, and especially because in connection with this amendment which relieves certain restrictions such procedures are unnecessary as they would not aid the persons affected and would serve no other useful purpose.

(Sec. 11, 38 Stat. 262; 12 U. S. C. 248. Interpret or apply R. S. 5200, as amended, secs. 4, 9, 13, 19, 24, 38 Stat. 254, 259, 263, 270, 273, as amended, 39 Stat. 753, 754, as amended sec. 3, 40 Stat. 232, as amended, secs. 402, 404, 42 Stat. 1479, 1480, as amended, sec. 2, 47 Stat.

RULES AND REGULATIONS

56, as amended, secs. 11, 505, 48 Stat. 181, 1263, as amended; 12 U. S. C. 84, 301, 330, 343-347, 347b, 348, 349, 351, 352, 361, 371-373, 374a)

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 51-3807; Filed, Mar. 28, 1951;
8:48 a. m.]

TITLE 14—CIVIL AVIATION

Chapter I—Civil Aeronautics Board

Subchapter A—Civil Air Regulations

[Supp. 2, Amdt. 12]

PART 60—AIR TRAFFIC RULES

MINIMUM EN ROUTE INSTRUMENT ALTITUDES

The minimum en route instrument altitude alterations appearing hereinafter are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to the public interest, and therefore is not required. Part 60 is amended as follows:

1. Section 60.17-15 *Green Civil Airway*
No. 5, is amended to read in part:

From—	To—	Minimum altitude
Midland (INT), Tex. or Midland, Tex. (VOR), via LFR or VOR ra- dial 55.	Big Spring, Tex. (LFR) (VOR) via LFR or VOR ra- dial 236.	4,300

2. Section 60.17-104 *Amber Civil Airway*
No. 4 is amended to eliminate:

From—	To—	Minimum altitude
Carlsbad, N. Mex. (LFR) (VOR), via LFR or VOR radials 50 or 65.	Hobbs, N. Mex. (LFR) (VOR), via LFR or VOR ra- dials 230 or 215.	5,000

3. Section 60.17-107 *Amber Civil Airway*
No. 7 is amended to read in part:

From—	To—	Minimum altitude
Charleston, S. C. (LFR) (VOR).	Florence, S. C. (LFR) (VOR).	1,300

4. Section 60.17-108 *Amber Civil Airway*
No. 8 is amended to read in part:

From—	To—	Minimum altitude
Santa Barbara, Calif. ¹ (LFR) (VAR) (north- bound).	Paso Robles, Calif. (VAR).	7,000

¹ 6,000'—minimum crossing altitude at Santa Barbara, north-bound.

5. Section 60.17-227 *Red Civil Airway*
No. 27 is amended to read in part:

From—	To—	Minimum altitude
Findlay, Ohio (RBN).	Bowling Green, Ohio (FM).	2,100
Bowling Green, Ohio (FM) ¹ .	Toledo, Ohio (LFR).	1,900

¹ 1,900'—minimum crossing altitude at Bowling Green (FM), south-bound.

6. Section 60.17-231 *Red Civil Airway*
No. 31 is amended to read in part:

From—	To—	Minimum altitude
Rapid City, S. Dak. (LFR).	Philip, S. Dak. (BH) (VOR).	4,400
Philip, S. Dak. (BH) (VOR).	Pierre, S. Dak. (LFR) (VOR).	3,500

7. Section 60.17-254 *Red Civil Airway*
No. 54 is amended to read in part:

From—	To—	Minimum altitude
Burley, Idaho (LFR).	Promontory Point, Idaho (HW).	12,500
Promontory Point, Idaho (HW).	Standsbury (INT), Idaho.	12,000

8. Section 60.17-268 *Red Civil Airway*
No. 68 is amended to eliminate:

From—	To—	Minimum altitude
Hobbs, N. Mex. (LFR).	Int. E crs. Hobbs, N. Mex. (LFR) and S crs. Lub- bock, Tex. (LFR).	5,000

9. Section 60.17-288 *Red Civil Airway*
No. 88 is amended by adding:

From—	To—	Minimum altitude
Hobbs, N. Mex. (LFR).	Int. E crs. Hobbs, N. Mex. (LFR) and S crs. Lub- bock, Tex. (LFR).	5,000

10. Section 60.17-291 *Red Civil Airway*
No. 91 is amended to read in part:

From—	To—	Minimum altitude
Salt Flat, Tex. (LFR) ¹	Carlsbad, N. Mex. (LFR) ¹	10,800
Carlsbad, N. Mex. (LFR) (VOR), Via LFR or VOR radials 50 or 65.	Hobbs, N. Mex. (LFR) (VOR), Via LFR or VOR radials 230 or 215.	5,000

¹ 10,800'—minimum crossing altitude at Salt Flat, northeast-bound.

² 8,800'—minimum crossing altitude at Carlsbad, southwest-bound.

11. Section 60.17-296 *Red Civil Airway*
No. 96 is amended to read in part:

From—	To—	Minimum altitude
Big Spring, Tex. (VOR), via radial 43.	Int. N crs. Abilene, Tex. (LFR) and Wichita Falls, Tex. (VOR) ra- dial 226.	14,000

¹ 7,600'—minimum continuous VOR reception altitude.

12. Section 60.17-633 *Blue Civil Airway*
No. 38 is amended to read in part:

From—	To—	Minimum altitude
Banks (INT), Can- ada	Annette Island, Alaska (LFR)	2,800
Annette Island, Al- aska (LFR) ¹	Petersburg, Alaska (LFR)	5,700

¹ 5,000'—minimum crossing altitude at Annette Island, northwest-bound.

13. Section 60.17-1003 *Direct routes; Southwest United States* is amended by adding:

From—	To—	Minimum altitude
Camarillo, Calif. (LFR).	Oxnard (INT), Calif. (north- westbound).	2,000
Oxnard (INT), Calif. (northwest- bound).	Ventura (INT), Calif. (northwest- bound).	2,000
Ventura (INT), Calif. (northwest- bound).	Santa Barbara, Calif. (VAR) (north- westbound).	5,000
Santa Barbara, Calif. (VAR).	Ventura (INT), Calif. (southeast- bound).	2,000
Ventura (INT), Calif. (southeast- bound).	Oxnard (INT), Calif. (southeast- bound).	2,000
Oxnard (INT), Calif. (southeast- bound).	Camarillo, Calif. (LFR) (southeast- bound).	5,000

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interpret or apply sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

These rules shall become effective April 5, 1951.

[SEAL] **J. S. MARRIOTT,**
Acting Administrator of
Civil Aeronautics.

[F. R. Doc. 51-3797; Filed, Mar. 28, 1951;
8:45 a. m.]

[Supp. 7, Amdt. 67]

PART 60—AIR TRAFFIC RULES

DANGER AREA ALTERATIONS

The danger area alterations appearing hereinafter have been coordinated with the civil operators involved, the Army, the Navy, and the Air Force, through the Air Coordinating Committee, Airspace Subcommittee, and are adopted when indicated in order to promote safety of the flying public. Compliance with the notice, procedures, and effective date provisions of section 4 of the Administrative Procedure Act would be impracticable and contrary to the public interest, and therefore is not required. Title 14, § 60.13-1 is amended as follows:

1. The Sahuarita, Arizona, area, published on April 21, 1949, in 14 F. R. 1913, is amended by changing the "Description by Geographical Coordinates" column to read: "N boundary: lat. 31°59' 30" N; E boundary: long. 110°51'00" W; S boundary: lat. 31°54'00" N; W boundary: long. 110°57'00" W."

2. The Miami, Florida, area, published on April 21, 1949, in 14 F. R. 1913, and amended on June 23, 1949, in 14 F. R. 3393, is further amended by changing the "Description by Geographical Co-

ordinates" column to read: "Beginning at lat. $26^{\circ}15'00''$ N, long. $80^{\circ}16'30''$ W; SSW to lat. $26^{\circ}00'00''$ N, long. $80^{\circ}18'05''$ W; W to the edge of Blue Civil Airway No. 19 at long. $80^{\circ}23'30''$ W; NNW along the E edge of Blue Civil Airway No. 19 to lat. $26^{\circ}15'00''$ N, long. $80^{\circ}25'45''$ W; E to lat. $26^{\circ}15'00''$ N, long. $80^{\circ}16'30''$ W, point of beginning."

3. The Tonopah, Nevada, area, published on April 21, 1949, in 14 F. R. 1913, and amended on June 23, 1949, in 14 F. R. 3393, is further amended by changing the "Description by Geographical Coordinates" column to read: "Beginning at lat. $37^{\circ}53'00''$ N, long. $116^{\circ}11'00''$ W; S to lat. $37^{\circ}42'00''$ N; E to long. $115^{\circ}53'00''$ W; S to lat. $37^{\circ}33'00''$ N; E

to long. $115^{\circ}48'00''$ W; S to lat. $37^{\circ}17'00''$ N; E to long. $115^{\circ}18'00''$ W; S to lat. $36^{\circ}41'00''$ N; W to long. $115^{\circ}35'30''$ W; S to lat. $36^{\circ}35'00''$ N; W to long. $115^{\circ}42'00''$ W; N to lat. $36^{\circ}41'00''$ N; W to long. $115^{\circ}56'00''$ W; N to lat. $37^{\circ}16'00''$ N; W to long. $116^{\circ}13'00''$ W; S to lat. $36^{\circ}41'00''$ N; W to long. $116^{\circ}26'30''$ W; N to lat. $36^{\circ}51'00''$ N; W to long. $116^{\circ}33'30''$ W; N to lat. $37^{\circ}33'00''$ N; W to long. $117^{\circ}02'00''$ W; northerly to lat. $37^{\circ}53'00''$ N, long. $117^{\circ}01'00''$ W; E to lat. $37^{\circ}53'00''$ N, long. $116^{\circ}11'00''$ W, point of beginning".

4. The Fort Sill and Lawton, Oklahoma, areas, published on April 21, 1949, in 14 F. R. 1913, have been combined into one area and revised to read:

Name and location (chart)	Description by geographical coordinates	Designated altitudes	Time of designation	Using agency
FORT SILL (Oklahoma City Chart.)	Beginning at lat. $34^{\circ}47'00''$ N, long. $98^{\circ}17'00''$ W; S to lat. $34^{\circ}38'00''$ N; W to long. $98^{\circ}28'00''$ W; N to lat. $34^{\circ}39'00''$ N; W to long. $98^{\circ}46'00''$ W; N to lat. $34^{\circ}47'00''$ N; E to long. $98^{\circ}38'00''$ W; S to lat. $34^{\circ}44'00''$ N; E to long. $98^{\circ}36'00''$ W; S to lat. $34^{\circ}43'00''$ N; E to long. $98^{\circ}22'00''$ W; N to lat. $34^{\circ}44'00''$ N, long. $98^{\circ}21'00''$ W; N to lat. $34^{\circ}47'00''$ N; E to lat. $34^{\circ}47'00''$ N, long. $98^{\circ}17'00''$ W, point of beginning.	Surface to 45,000 feet.	Continuous.....	Fort Sill Artillery School, Fort Sill, Okla.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 601, 52 Stat. 1007, as amended; 49 U. S. C. 551)

This amendment shall become effective on April 6, 1951.

[SEAL] J. S. MARRIOTT,
Acting Administrator of
Civil Aeronautics.

[F. R. Doc. 51-3796; Filed, Mar. 28, 1951;
8:45 a. m.]

that respondents' products are radically new laboratory products or that they are wholly different from other products used for similar purposes; (2) that said products create a permanent glossy finish; (3) that said products renew leaky roofs; (4) that said products fireproof surfaces to which they are applied; (5) that said products will withstand heat up to 800° F., or otherwise misrepresenting the ability of said products to withstand heat; (6) that said products will outwear wax surfaces 200 to 1, or otherwise misrepresenting the superiority of said products over wax; (7) that said products are modern finishes for all types of floors; (8) that said product, Plasti-Kote Texture Finish, will not wear out; (9) that said product, Plasti-Kote Perma-Seal, hardens surfaces to which it is applied, or that it is an effective waterproofer under all conditions of use; (10) that said product, Plasti-Kote Exterior, is superior to old type house paints; (11) that said product, Plasti-Kote Tile Finish, will last for years under constant use; that it resists all damage from boiling water; or that it is alcohol proof; or, (12) that respondents manufacture any of the products sold by them; prohibited.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Herbert D. Fine trading as H. D. Fine Company, Plasti-Kote Company, etc., et al., Docket 5379, Jan. 3, 1951]

In the Matter of Herbert D. Fine, Individually and Trading as H. D. Fine Company, Plasti-Kote Company, and Plastic Coating Company, and H. D. Fine Company, a Corporation

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer

thereto, a stipulation entered into by counsel, testimony and other evidence introduced before a trial examiner of the Commission, recommended decision of the trial examiner and exceptions thereto, and briefs in support of and in opposition to the complaint (oral argument not having been requested); and the Commission having made its findings as to the facts and its conclusion that the respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondents, Herbert D. Fine, individually and trading under the names H. D. Fine Company, Plasti-Kote Company and Plastic Coating Company, or trading under any other name, and H. D. Fine Company, a corporation, trading under its corporate name and also under the name Plasti-Kote Company, or trading under any other name, and its officers, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of respondents' paint and varnish products designated Plasti-Kote, Plasti-Kote Transparent, Plastic Floor Finish, Plasti-Kote Tile Floor Finish, Plasti-Kote Perma-Seal, Plasti-Kote Semi-Lustre, Plasti-Kote Tile Finish, Plasti-Kote Exterior, Plasti-Kote Texture Finish and Plasti-Kote No Prime Flat, or any products of substantially similar composition, whether sold under the same names or under any other names, do forthwith cease and desist from representing, directly or by implication:

1. That respondents' products are radically new laboratory products or that they are wholly different from other products used for similar purposes.

2. That said products create a permanent glossy finish.

3. That said products renew leaky roofs.

4. That said products fireproof surfaces to which they are applied.

5. That said products will withstand heat up to 800° F., or otherwise misrepresenting the ability of said products to withstand heat.

6. That said products will outwear wax surfaces 200 to 1, or otherwise misrepresenting the superiority of said products over wax.

7. That said products are modern finishes for all types of floors.

8. That said product, Plasti-Kote Texture Finish, will not wear out.

9. That said product, Plasti-Kote Perma-Seal, hardens surfaces to which it is applied, or that it is an effective waterproofer under all conditions of use.

10. That said product, Plasti-Kote Exterior, is superior to old type house paints.

11. That said product, Plasti-Kote Tile Finish, will last for years under constant use; that it resists all damage from boiling water; or that it is alcohol proof.

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 5379]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

H. D. FINE CO. ET AL.

Subpart—Advertising falsely or misleadingly: § 3.15 Business status, advantages or connections—Producer status of dealer—Manufacturer; § 3.20 Comparative data or merits; § 3.90 History of product or offering; § 3.135 Nature—Product or service; § 3.170 Qualities or properties of product or service. In connection with the offering for sale, sale and distribution in commerce, of respondents' paint and varnish products designated Plasti-Kote, Plasti-Kote Transparent, Plastic Floor Finish, Plasti-Kote Tile Floor Finish, Plasti-Kote Perma-Seal, Plasti-Kote Semi-Lustre, Plasti-Kote Tile Finish, Plasti-Kote Exterior, Plasti-Kote Texture Finish and Plasti-Kote No Prime Flat, or any products of substantially similar composition, whether sold under the same names or under any other names, representing, directly or by implication (1).

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12. That respondents manufacture any of the products sold by them.

It is further ordered, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Issued: January 3, 1951.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 51-3827; Filed, Mar. 28, 1951;
8:52 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

USE OF SKIM MILK CHEESE FOR MANUFACTURING IN PASTEURIZED PROCESS CHEESE FOOD AND PASTEURIZED PROCESS CHEESE SPREAD

Pursuant to section 3 of the Administrative Procedure Act (60 Stat. 237, 238; 5 U. S. S. 1002), the following statement of policy is issued:

§ 3.21 *Notice to manufacturers of pasteurized process cheese food and pasteurized process cheese spread.* Regulations establishing definitions and standards of identity for pasteurized process cheese food, § 19.765, and pasteurized process cheese spread, § 19.775, were published in the FEDERAL REGISTER on August 24, 1950, 15 F. R. 5686-5687. These regulations became effective on February 24, 1951.

An application has been received from a substantial portion of the interested industry proposing to amend these regulations to permit skim milk cheese for manufacturing as an optional ingredient in these foods. Alternative ways of amending the regulations are suggested: (1) To permit skim milk cheese for manufacturing as an optional cheese ingredient under paragraph (c) of each of the sections; or (2) To permit skim milk cheese for manufacturing as an optional dairy ingredient under paragraph (d) of each of the sections.

A hearing to take evidence on these proposals will be called as soon as practicable. Pending such a hearing and the issuance of an order resulting therefrom, the Federal Security Agency will not recommend action against pasteurized process cheese foods or pasteurized process cheese spreads solely because they include skim milk cheese for manufacturing as part of the optional cheese or dairy ingredients. Such foods must comply with other requirements of the existing regulations as well as the general provisions of the law.

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371)

Dated: March 23, 1951.

[SEAL]

OSCAR R. EWING,
Administrator.

[F. R. Doc. 51-3810; Filed, Mar. 28, 1951;
8:48 a. m.]

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

SUPRARENAL GLANDS FROM HOG CARCASSES NOT FINALLY INSPECTED

Pursuant to section 3 of the Administrative Procedure Act (60 Stat. 237, 238; 5 U. S. C. 1002), the following statement of policy is issued:

§ 3.22 *Suprarenal glands from hog carcasses prior to final inspection.* The Meat Inspection Division, Bureau of Animal Industry, of the U. S. Department of Agriculture has informed the Food and Drug Administration of the Federal Security Agency that, under appropriate conditions, it will permit the removal of suprarenal glands from hogs that have not been finally inspected by Federal inspectors. The glands to be so obtained are intended for use in manufacturing extracts containing one or more of the therapeutically useful constituents of suprarenal glands.

Under the conditions hereinafter specified, the Federal Security Administrator has determined that the public health will be adequately protected from any danger from the use of drugs, made in whole or in part from suprarenal glands of hogs that may be condemned by Federal inspectors of the Department of Agriculture after removal of such glands from the carcasses, arising from any abnormality of such carcasses if such glands are subjected to the following prescribed treatment, which will destroy or eliminate any microorganisms or toxins that might be present in the glands:

The glands are subjected to quick freezing promptly upon removal from the carcasses and maintained in a frozen state until they are ground and immersed in 95 percent to 100 percent acetone. The ground tissues remain in the acetone for a period of not less than 6 days, the mixture is filtered, and the residue is burned.

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371)

Dated: March 21, 1951.

[SEAL]

JOHN L. THURSTON,
Acting Administrator.

[F. R. Doc. 51-3841; Filed, Mar. 28, 1951;
8:57 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 204—DANGER ZONE REGULATIONS

GULF OF MEXICO BETWEEN ST. JOSEPH BAY AND PENSACOLA BAY, FLA.

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U. S. C. 1), and Chapter XIX of the Army Appropriation Act of July 9, 1918 (40 Stat. 892; 33 U. S. C. 3), §§ 204.115 to 204.140, inclusive, are hereby revoked and superseded by §§ 204.115 to 204.140, inclusive, as follows:

§ 204.115 *Gulf of Mexico and St. Joseph Bay, in vicinity of St. Joseph Peninsula*

sula; air-to-ground target range, Tyndall Air Force Base, Fla.—(a) *The danger zone.* The waters of the Gulf of Mexico west of St. Joseph Peninsula and of St. Joseph Bay east of St. Joseph Peninsula, Florida, within an area described as follows: Beginning at St. Joseph Point, latitude 29°52'24", longitude 85°23'24"; thence southeasterly to latitude 29°50'30", longitude 85°23'12", thence 90° true to longitude 85°22'30"; thence southeasterly to latitude 29°42'00", longitude 85°20'30", thence southwesterly to latitude 29°41'48", longitude 85°21'48"; thence southeasterly to Cape San Blas, latitude 29°40'00", longitude 85°21'36"; thence southwesterly to latitude 29°38'54", longitude 85°30'42"; thence northwesterly to latitude 29°48'36", longitude 85°32'12"; thence northeasterly to the point of beginning. Firing will be in a southwesterly direction from St. Joseph Bay toward the Gulf of Mexico and across St. Joseph Peninsula.

(b) *The regulations.* (1) Firing will be conducted daily between sunrise and sunset, weather and ceiling permitting, and no vessel or other craft shall enter or remain within the area during such operations.

(2) The fact that aerial target practice is to take place over the area will be advertised to the public through the usual media for the dissemination of information. Inasmuch as such practice is to be conducted throughout the year, without regard to season, such advertising will be repeated at frequent intervals not exceeding three months, and at more frequent intervals when, in the opinion of the enforcing agency, such frequent repetition is advisable in the interests of public safety.

(3) Prior to conducting each target practice the area will be patrolled by aircraft to insure that no watercraft are within the area, and any watercraft in the area will be warned by means of signals that target practice is about to take place. The patrol aircraft will employ the method of warning known as "buzzing" which consists of low flight by the aircraft and repeated opening and closing of the throttle. Any such watercraft shall, upon being so warned, immediately leave the area and shall remain outside the area until the conclusion of target practice.

(4) No marking of the area is proposed, and watercraft shall be presumed to know their location by distance and direction from landmarks or other topographical features along the shore.

(5) The regulations in this section shall be enforced by the Commanding Officer, Tyndall Air Force Base, Florida, and such agencies as he may designate.

§ 204.120 *Gulf of Mexico, southeast of St. Andrew Bay East Entrance; small-arms firing range, Tyndall Air Force Base, Fla.*—(a) *The danger zone.* The waters of the Gulf of Mexico southeast of St. Andrew Bay East Entrance within a rectangular area one statute mile wide, the longitudinal center line of which extends from a point on shore at latitude 30°04'30", longitude 85°36'48", 206° true,

a distance of four and one-half statute miles.

(b) *The regulations.* (1) Firing practice will ordinarily take place between 8:00 a. m. and 5:00 p. m. daily. No vessel or other craft shall enter or remain within the area during periods of firing. The area will be open to vessels at all other times.

(2) Prior to conducting firing practice a red flag will be displayed from the Fire Control Tower on the range and watercraft in the vicinity will be warned by patrol boats. Any watercraft within the area shall, upon being so warned, immediately leave the area and shall remain outside the area until the conclusion of firing practice.

(3) The regulations in this section shall be enforced by the Commanding Office, Tyndall Air Force Base, Florida, and such agencies as he may designate.

§ 204.125 *Gulf of Mexico, west of St. Andrew Bay West Entrance; test operations area, Navy Mine Countermeasures Station, Panama City, Fla.*—(a) *The danger zone.* The waters of the Gulf of Mexico west of St. Andrew Bay West Entrance within an irregular area, approximately three-fourths nautical mile offshore, one and three-fourths nautical miles wide, and three nautical miles long, whose four corners are located as follows: North corner, latitude 30°09'05", longitude 85°47'45"; east corner, latitude 30°07'35", longitude 85°45'00"; south corner, latitude 30°06'00", longitude 85°46'06"; west corner, latitude 30°08'01", longitude 85°49'00".

(b) *The regulations.* (1) Whenever the flag "Baker" or the standard mine-sweep signal is displayed from any vessel or barge operating in the danger zone, navigation in the danger zone is prohibited. The area will be open to navigation at all other times.

(2) A security patrol maintained by the operating agency will exercise full control in the interest of safety to navigation.

(3) The regulations in this section shall be enforced by the Commanding Officer, U. S. Navy Mine Countermeasures Station, Panama City, Florida, and such agencies as he may designate.

§ 204.130 *Gulf of Mexico from St. Andrew Bay to Choctawhatchee Bay, and Choctawhatchee Bay; aerial gunnery and bombing ranges, Air Force Proving Ground Command, Eglin Field, Fla.*—(a) *The danger zones*—(1) *Aerial gunnery range in Gulf of Mexico between St. Andrew Bay West Entrance of Choctawhatchee Bay Entrance.* South boundary, a line parallel to and 10 statute miles offshore; west boundary, longitude 86°28'00"; north boundary, a line parallel to and one statute mile offshore; east boundary, a straight line extending from the intersection of the north boundary and latitude 30°07'00" to the intersection of the south boundary and latitude 30°00'45".

(2) *Aerial gunnery range in Gulf of Mexico west of Choctawhatchee Bay Entrance.* South boundary, a line parallel to and 10 statute miles offshore; west

boundary, longitude 86°41'00"; north boundary, a line parallel to and one statute mile offshore; east boundary, longitude 86°32'00".

(3) *Aerial gunnery range in west part of Choctawhatchee Bay.* The waters of Choctawhatchee Bay within an area described as follows: Beginning at a point on the west shore at latitude 30°28'30", longitude 86°30'00"; thence southeasterly to latitude 30°25'30", longitude 86°21'30"; thence southwesterly to a point on the south shore at latitude 30°23'30", longitude 86°23'00"; thence northwesterly to a point on the south shore at latitude 30°24'00", longitude 86°25'00"; and thence northwesterly to the point of beginning; excluding that part of the area included within the aerial gunnery range along the north shore of Choctawhatchee Bay (described in subparagraph (4) of this paragraph).

(4) *Aerial gunnery range along north shore of Choctawhatchee Bay.* West boundary, longitude 86°25'30"; north boundary, the shore; east boundary, longitude 85°17'30"; south boundary, a straight line extending from the intersection of the east boundary and latitude 30°27'30" to the intersection of the west boundary and latitude 30°26'00".

(5) *Aerial bombing range in Choctawhatchee Bay southwest of Alqua Point.* Beginning at latitude 30°28'20", longitude 86°16'11"; thence to latitude 30°28'12", longitude 86°14'14"; thence 180° true to latitude 30°28'06"; thence to latitude 30°27'32", longitude 86°16'03"; and thence to the point of beginning.

(6) *Aerial bombing range in Choctawhatchee Bay southwest of Motes Point.* Beginning at latitude 30°27'22", longitude 86°13'10"; thence to latitude 30°27'00", longitude 85°11'14"; thence 180° true to latitude 30°26'48"; thence to latitude 30°26'25", longitude 86°13'08"; and thence to the point of beginning.

(b) *The regulations*—(1) *Aerial gunnery ranges.* (i) The aerial gunnery ranges in the Gulf of Mexico and in the west part of Choctawhatchee Bay (described in paragraphs (a) (1) to (3), inclusive, of this section) may be used by watercraft except during periods when firing is conducted. During these periods, firing will be controlled by observation posts, and watercraft will be warned by patrol boats. During periods of firing, traverse of these areas shall not be denied to regular cargo-carrying or passenger-carrying vessels or tows proceeding on established routes. In case any such vessel is within one of the areas, the officer in charge of gunnery operations will cause the cessation or postponement of fire until the vessel has cleared that part of the area within the range of the weapons being used. The vessel shall proceed on its normal course and shall not delay its progress.

(ii) No vessel or other craft shall enter or remain within the aerial gunnery range along the north shore of Choctawhatchee Bay (described in paragraph (a) (4) of this section) at any time.

(2) *Aerial bombing ranges.* (i) The areas described in paragraphs (a) (5) and (6) of this section will be in continuous use between 6:00 a. m. and 6:00 p. m. daily, and all watercraft are prohibited from using the areas during bombing operations.

(ii) The fact that aerial bombing practice is to take place over the areas will be advertised to the public through the usual media for the dissemination of information. Inasmuch as such practice is to be engaged in throughout the year without regard to season, such advertising will be repeated at frequent intervals not exceeding three months and at more frequent intervals when, in the opinion of the enforcing agency, such frequent repetition is advisable in the interest of public safety.

(iii) Prior to conducting each bombing practice the areas will be patrolled by aircraft to insure that no watercraft are within the areas, and any watercraft in the areas will be warned by means of signals that bombing practice is about to take place. The patrol aircraft will employ the method of warning known as "buzzing" which consists of low flight by the aircraft and repeated opening and closing of the throttle. Any such watercraft shall, upon being so warned, immediately leave the danger zone and shall, until the conclusion of practice, remain at such distance that it will be safe from falling projectiles.

(iv) No marking of the areas is proposed, and watercraft shall be presumed to know their location by distance and direction from landmarks or other topographical features along the shore.

(3) *Enforcing agency.* The regulations in this section shall be enforced by the Commanding Officer, Air Force Proving Ground Command, Eglin Field, Florida, and such agencies as he may designate.

§ 204.135 *Gulf of Mexico, south from Choctawhatchee Bay; guided missiles test operations area, Air Force Proving Ground Command, Eglin Field, Fla.*—(a) *The danger zone.* The waters of the Gulf of Mexico south from Choctawhatchee Bay within an area described as follows: Beginning at a point on the south shore of Santa Rosa Island at longitude 86°47'20"; thence easterly along the south shore of Santa Rosa Island, across the mouth of Choctawhatchee Bay Entrance, and along the south shore of Moreno Point and the Peninsula south of Choctawhatchee Bay to longitude 86°05'10"; thence southeasterly to latitude 28°10'00", longitude 84°30'00"; thence 270° true to longitude 86°47'20"; and thence due north to the point of beginning.

(b) *The regulations.* (1) The area will be used intermittently during daylight hours for a week or 10 days at a time. Firing will take place once or twice a day for periods ordinarily of not more than one hour. Advance notice of such firings will be published in local newspapers and in such other manner as the District Engineer, Corps of Engineers, Mobile, Alabama, may direct.

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(2) During periods of firing, passage through the area will not be denied to cargo-carrying or passenger-carrying vessels or tows proceeding on established routes. In case any such vessel is within the danger area, the officer in charge of firing operations will cause the cessation or postponement of fire until the vessel shall have cleared the portion of the danger area involved. The entire area involved will be under constant observation of both surface patrol vessels and air patrol planes prior to and during periods of firing and notice will be given to vessels and tows of intention to fire by buzzing low over the vessel, upon which signal vessels and tows shall proceed on their established course promptly and clear the area as soon as possible.

(3) Other vessels will be warned to leave the immediate danger area during firing periods by surface patrol craft. Upon being so warned such vessels shall clear the area immediately. Such periods normally will not exceed two hours.

(4) The regulations in this section shall be enforced by the Commanding Officer, Air Force Proving Ground Command, Eglin Field, Florida, and such agencies as he may designate.

§ 204.140 *Gulf of Mexico, south of Pensacola Bay; firing range, Fort Pickens and Fort McRee Military Reservations*—(a) *The danger zone*—(1) *East sector*. The waters of the Gulf of Mexico within a sector the easterly limit of which bears 135° true from a point on Santa Rosa Island 2,500 yards east of the Coast Guard Station, and the westerly limit of which bears 225° true from the west end of Santa Rosa Island, the outer limits of the sector describing an arc of a circle 33,000 yards from the intersection of the center line of the sector and the south shore of Santa Rosa Island.

(2) *West sector*. The waters of the Gulf of Mexico within an adjacent sector the easterly limit of which bears 225° true, and the westerly limit of which bears 245° true, from the west end of Santa Rosa Island, the outer limits of the sector describing an arc of a circle of 17,000 yards radius.

(b) *The regulations*. (1) Any vessel capable of being propelled by mechanical power at a speed greater than five miles per hour may enter and proceed directly through the danger zone without hindrance, except for reasonable delays when notified by a patrol boat that firing for a brief period is about to commence or is in progress.

(2) Except under unusual circumstances, the danger zone is open throughout the year to the public for fishing and traffic without restriction from 12:00 m. Saturday to 7:30 a. m. Monday, and on National (but not State) holidays from 6:00 p. m. of the day preceding to 7:30 a. m. of the day following the holiday. The danger zone is also open to the public for fishing and traffic without restriction on other days when firing is not conducted.

(3) On days when firing is to be conducted which will require restrictions

on the use of all or part of the danger zone, a large red flag will be displayed from a mast on or in the vicinity of the lookout tower of the Coast Guard Station on Santa Rosa Island, and from a mast on or in the vicinity of the parapet of Old Fort Pickens, Santa Rosa Island. These flags will be displayed prior to 7:30 a. m. of the day on which firing is to be conducted, and will be removed when firing ceases for the day.

(4) When night firing is scheduled, large white flags will be displayed from the same towers prior to 4:00 p. m. of that day, and will remain displayed until the termination of firing.

(5) On days and nights when firing is in progress and flags are displayed as provided in subparagraphs (3) and (4) of this paragraph, no boat or vessel shall, except as provided in subparagraph (1) of this paragraph, enter or remain in the danger zone, except under the written authority of the enforcing agency: *Provided*, That the enforcing agency may designate by suitable public notices a small part of the danger zone as the restricted area for certain firings, in which case any boat or vessel may enter or remain in other waters of the danger zone outside of the designated restricted area.

(6) The regulations in this section shall be enforced by the Commanding Officer, Fort Barrancas, Florida, and such agencies as he may designate.

[Regs., Mar. 5, 1951, 800.2121-ENGWO] (Sec. 4, 28 Stat. 362, as amended; 33 U. S. C. 1. Interpret or apply 40 Stat. 892; 33 U. S. C. 3)

[SEAL] EDWARD F. WITSELL,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 51-3823; Filed, Mar. 28, 1951; 8:51 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 3—VETERANS CLAIMS

SERVICE-CONNECTION, SOUND CONDITION AT TIME OF ENTRANCE INTO SERVICE, AGGRAVATION, AND NATURAL PROGRESS

In § 3.63, paragraphs (f), (g), and (h) are amended to read as follows:

§ 3.63 *Service-connection, sound condition at the time of entrance into service, aggravation, and natural progress under Public No. 2, 73d Congress, as amended, Veterans Regulation 1 (a), Part I and Part II (38 U. S. C. ch. 12).*

(f) There are certain medical principles so well and universally recognized as definitely to constitute fact, and when, in accordance with these principles, existence prior to entrance into service is established, no further additional or confirmatory facts are necessary. For example, with notation or discovery, during service, of residual conditions, such as scars, healed fractures, absent or resected parts of organs, supernumerary

parts, congenital malformations, with no evidence of the pertinent antecedent active injury or disease during service, the established facts are so convincing as to impel the conclusion that the residual condition existed prior to entrance into active service, without further proof of this fact. Similarly, manifestation of lesions or symptoms of chronic disease from date of enlistment, or so close to that date that the disease could not have originated in so short a period, will be accepted as clear and unmistakable proof that the disease existed prior to entrance into active service. Likewise, manifestation of disease within less than the minimum incubation period after enlistment will be accepted as showing inception prior to service. In neuropsychiatric conditions, situational reactions, characteristic of a life pattern indicating psychopathic personality, chronic psychoneurosis of long standing, or other neuropsychiatric symptoms shown to have existed prior to service with the same manifestations during service, which were the basis of the diagnosis in service, will be accepted as manifesting preexisting neuropsychiatric condition and not merely as neurotic traits or predisposition. These principles, in relation to type, length, and circumstances of service, are to be considered in the question of service-connection.

(g) The application of the foregoing instructions carrying into effect the principles and intent of paragraph I (b), Part I, Veterans Regulation 1 (a), as amended, will be in full accord with the principles involving clear and unmistakable evidence and burden of proof enunciated in Public No. 141, 73d Congress, as amended.

(h) The development of evidence in connection with claims heretofore or hereafter adjudicated under the provisions of paragraph I (a) and (b), Part I, Veterans Regulation 1 (a), as amended, will be accomplished when deemed necessary. Development should not be undertaken when the evidence present is sufficient for a proper determination of the question of service-connection. In initially rating disability of record at the time of discharge, the records of the service department, including the reports of examination at enlistment and the clinical records during service, will ordinarily suffice. Rating of combat injuries or other conditions which obviously had their inception in service may be accomplished without awaiting copy of the examination at enlistment.

* * * * *

(Sec. 5, 43 Stat. 608, as amended, sec. 2, 46 Stat. 1016, sec. 7, 48 Stat. 9; 38 U. S. C. and Sup. 11a, 426, 707. Interpret or apply Par. I, Part I, Par. I, Part II, Vet. Reg. 1 (a), as amended; 38 U. S. C. ch. 12 note)

This regulation effective March 29, 1951.

[SEAL] O. W. CLARK,
Deputy Administrator.

[F. R. Doc. 51-3828; Filed, Mar. 28, 1951; 8:53 a. m.]

TITLE 42—PUBLIC HEALTH**Chapter I—Public Health Service,
Federal Security Agency****PART 21—COMMISSIONED OFFICERS****SUBPART Q—TRAVEL AND TRANSPORTATION
ALLOWANCES**

Subpart Q of Part 21, together with Appendix A thereof, is amended to read as follows:

**SUBPART Q—TRAVEL AND TRANSPORTATION
ALLOWANCES**

Sec.

21.351 Controlling regulations.
21.352 Instructions by the Surgeon General.

AUTHORITY: §§ 21.351 and 21.352 issued under sec. 303, 63 Stat. 818; 37 U. S. C. 253.

§ 21.351 *Controlling regulations.* Regulations governing the allowances for travel and transportation and the conditions under which such travel and transportation may be performed by commissioned officers of the Public Health Service shall consist of those portions of the document entitled "Joint Travel Regulations", approved by the Federal Security Administrator on January 31, 1951, and approved by the Secretaries having jurisdiction over the other uniformed services, as are applicable to such officers of the Service, together with any revisions or additions to such document, so applicable, as may be approved by the Administrator.

§ 21.352 *Instructions by the Surgeon General.* The Surgeon General is authorized to adopt, and from time to time revise or add, administrative instructions relating to methods or procedures appropriate to implementing and enforcing the regulations governing travel and transportation allowances of the commissioned officers of the Service.

These amendments shall be effective April 1, 1951.

Dated: March 20, 1951.

[SEAL] LEONARD A. SCHEELE,
Surgeon General.

Approved: March 22, 1951.

JOHN L. THURSTON,
Acting Federal Security
Administrator.

[F. R. Doc. 51-3840; Filed, Mar. 28, 1951;
8:57 a. m.]

**TITLE 32A—NATIONAL DEFENSE,
APPENDIX****Chapter III—Office of Price Stabilization,
Economic Stabilization Agency**

[Ceiling Price Regulation 5, Amdt. 1]

CPR 5—IRON AND STEEL SCRAP**AMDT. 1—DETROIT BASING POINT PRICES**

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 1 to Ceiling Price Regulation 5 (16 F. R. 1061) is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment increases the basing point prices for No. 1 heavy melting steel scrap at Detroit by \$1.15 per gross ton.

Under Ceiling Price Regulation 5 as originally written, the basing point prices for No. 1 heavy melting steel at Detroit were \$3.00 per gross ton below the basing point prices at Cleveland for the same material. As a consequence, the ceiling shipping point prices for dealers located in the Detroit basing point, determined under Section 4 (a) of the regulation by deducting switching charges from the Detroit basing point prices, were \$1.15 per gross ton below what such prices would have been if determined by deducting water transportation and dock charges from the prices at the most favorable basing point, i. e., Cleveland.

Under the principles embodied in the pricing structure set forth in the regulation the basing point in which a shipper is located should be his "most favorable basing point", and the discrepancy with respect to sellers at Detroit, unnoticed at the time the regulation was issued, jeopardized the movement of scrap from that city, the largest iron and steel scrap producing area in the country. The price changes made by the amendment are designed to establish Detroit shipping point prices at their proper level and to remove the threat to the flow of vitally needed scrap materials.

In the judgment of the Director of Price Stabilization the ceiling prices established by this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in the furtherance of the objectives of the Defense Production Act of 1950, and to relevant factors of general applicability.

Although special circumstances have rendered impracticable consultation with formal industry advisory committees, including trade association representatives, the provisions of this amendment have been presented to persons representing substantial segments of the various segments of the industry affected, and their recommendations have been considered.

AMENDATORY PROVISIONS

Ceiling Price Regulation 5 is amended in the following respects:

1. Section 3 (a) (1) is amended by substituting \$41.15 for \$40.00 as the basing point price for Detroit, Michigan.

2. Section 7 (a) (1) is amended by substituting \$43.15 for \$42.00 as the basing point price for Detroit, Michigan.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.)

Effective Date. This amendment is effective March 27, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

[F. R. Doc. 51-3869; Filed, Mar. 27, 1951;
4:46 p. m.]

[Ceiling Price Regulation 14]

**CPR 14—CEILING PRICES OF CERTAIN
FOODS SOLD AT WHOLESALE**

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 14 is hereby issued.

STATEMENT OF CONSIDERATIONS

This statement of considerations covers CPR 14, CPR 15, and CPR 16.

The General Ceiling Price Regulation was issued essentially as a "stop gap" measure in order to bring under immediate control the prices of most goods and services. It was the only technique that could be applied quickly and comprehensively. At the time of issuance it was recognized that the regulation was not well adapted to the long range control of prices in many parts of the economy. This is true in the wholesaling and retailing of food. Between the outbreak of the Korean war and the freeze period, some food distributors had placed in effect substantial price increases beyond those necessitated by the increased cost of food. Others had not so advanced their prices. Thus the freeze technique rewarded those who had increased their prices most. The distortions in the cost-price relationships and the chance abnormalities that existed in the base period were frozen into the price structure. Moreover, the freeze technique is particularly difficult to apply to new sellers who have no base period ceiling price. In an industry such as food distribution with thousands of sellers, there are bound to be large numbers of new sellers. The effort to fix ceiling prices for these new sellers creates serious problems of administration and fairness.

Fixing ceiling prices for new items presents similar problems. Moreover, the effort to enforce ceiling prices based on a general freeze for more than 500,000 sellers presents an extremely difficult enforcement problem.

These regulations establish a different method of fixing ceiling prices for sales by wholesalers and retailers of most dry and some perishable grocery products by providing specific percentage markups for different food categories. They govern approximately 60 percent of food purchases made by consumers in retail stores. Though the grocery business customarily computes margins as a percentage of sales, for practical purposes and easy calculation, the margins here are translated to a markup on cost. The markup technique employed provides a simple, enforceable, equitable and effective method of price control. It was the technique employed by the Office of Price Administration in issuing MPR's 421, 422, and 423 which regulated dry grocery prices during World War II. These regulations were the result of careful classification of wholesalers and retailers and a comprehensive survey of appropriate margins within each class of seller. Their validity was upheld by the Emergency Court of Appeals. During the period when they were effective, food costs were stabilized. At the same time earnings per dollars of sales of food distributors exceeded those experienced prior to 1942.

The contrast between the inadequacies of a "freeze" regulation such as the General Ceiling Price Regulation, in control-

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ling prices for food distributors, and the success of the margin type regulation used by the OPA makes it imperative that distributors' ceiling prices of dry groceries be fixed on a markup basis at the earliest possible date. At the present time, the best markups available are those which were used by the OPA in issuing MPR's 421, 422, and 423, and which were in effect from 1943-46. In order to act now, the Director of Price Stabilization has generally employed these markups for most food categories for most distributors. The Office of Price Stabilization is now organizing a study of margin and earning figures for food distributors in order to obtain more recent comprehensive data. If the study should indicate that the ceiling prices established under this regulation are either too low or too high, the regulation will be promptly revised to reflect the results of the survey.

Consultation with the wholesalers and retailers of dry groceries has indicated that wholesalers and the independent retailers generally believe that the OPA markups applicable to them will return adequate gross margins. The chain stores and supermarkets, however, have insisted that the OPA markups would be inadequate and have presented calculations to show that their application to pre-Korea operations would reduce by approximately three percent on sales the grocery department gross margins experienced at that time. They urge that their operations are conducted on a low net margin of profit to sales, and fear that these ceilings will mean loss operations. This position has been given very careful consideration by the Director of Price Stabilization. An examination of the data submitted by the chains and supermarkets indicates that there is a substantial basis for these figures. In most food categories the OPA markups conform generally with normal pricing practices. In some categories, however, it has been indicated that markups have changed substantially since the war. In issuing these regulations, therefore, the Director has made some adjustments in these food categories for these sellers. These adjustments will be carefully checked against the results of the survey.

On the whole the markups used for chains and supermarkets should increase by a little more than 1 percent the margin on sales yielded by the OPA markups. While the chains and supermarkets indicate that an adjustment of approximately three percent is required, their calculations overlook certain important considerations which indicate that these adjusted markups will provide generally fair and equitable prices. Since the markups are computed as a percentage of cost, any increase in food cost is reflected in higher dollar margins. All retailers consulted by the OPS conceded that food costs have gone up at least 10 percent and evidence available to the Director of Price Stabilization indicates that the increase may be more. Assuming the minimum increase in food costs, the percentage markup could be reduced and still return as many or more dollars as were earned in a pre-Korea period. If a food retailer prior to Korea had food costs of \$1,000,000, and sales of \$1,200,000, he would have a percentage markup of 20 percent and a dollar margin of \$200,-

000. Today, however, if he sold the same quantity of food the cost of food to him would have increased to at least \$1,100,000. A percentage markup of 18.3 percent would produce a dollar margin of \$201,300, or more than he earned prior to the increase in the cost of food. Thus, even if the markups in this regulation result in a lower percentage markup than that experienced in a pre-Korea period, the increase in the cost of food has been so substantial that these regulations should not prevent food distributors from realizing adequate overall dollar margins.

It is true, of course, that the overhead costs which are to be covered by the markups may have increased since Korea. However, food stores have also experienced a marked and rapid increase in physical volume. This means that fixed overhead costs can be spread over more units of merchandise and the cost per unit reduced. Moreover, in a period of accelerated inflation, food costs and food prices rise much faster than overhead expenses and in a seller's market, sales and promotion costs can be better controlled. These factors are reflected in higher net earnings. Percentage markups can be reduced and the distributor will still be able to cover dollar increases in these overhead expenses and realize net earnings comparable to those realized prior to the inflationary period.

The experience since Korea indicated the effect of all of these factors on earnings. In 1950 the sales of leading chain stores increased over 1949 by approximately six percent mainly during the last half of the year. However, dollar earnings for the same chains increased by 18 percent. Thus, dollar earnings increased substantially more percentagewise than dollar sales. Apparently, therefore, overhead expenses have not risen as sharply as food costs and food prices and this has been reflected in the higher earnings. On the basis of these considerations, the Director of Price Stabilization finds that the markups set forth in these regulations will produce generally fair and equitable prices.

SPECIFIC PROVISIONS OF THE REGULATIONS

Ceiling Price Regulation No. 14 applies to sales by wholesalers of certain food products called "dry groceries," which are listed in Table A of the Regulation. Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and Ceiling Price Regulation No. 15 (Group 3 and 4 stores) apply to sales by retailers of the same list of dry groceries as are covered by the wholesale regulation and additional list in Table B called perishables. Sales of perishable items at wholesale will continue to be controlled by the General Ceiling Price Regulation. Likewise, since Table B, for the time being, includes only butter and packaged cheese, sales of other perishable items at retail will continue to be controlled by the General Ceiling Price Regulation.

For the most part the provisions of these regulations are similar to those used by OPA in MPR's 421, 422, and 423, which regulated dry grocery prices during World War II. In general the dry grocery commodity categories are the same except where a limited number of slow-moving high-margin items have been taken out of the category used by OPA and placed under "miscellaneous foods". Also "flour mixes" have been

taken out of the "flour" category and included in the corn meal, hominy category. Such adjustments were recommended by representative members of the industry and it is believed by the Director of Price Stabilization that the facts available clearly justified the change in category.

(a) *Classification of Wholesalers and Retailers.* The classification of wholesalers in Ceiling Price Regulation No. 14 is the same as that used in MPR 421 by OPA. The classification of retailers in Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and in Ceiling Price Regulation No. 15 (Group 3 and 4 stores) is also the same as that used in MPR's 422 and 423 by OPA, except that the volume definitions have been changed. Ceiling Price Regulations Nos. 15 and 16 provide as follows:

Group 1—Independent retail stores with annual sales volume of less than \$75,000 in 1950.

Group 2—Independent retail stores with annual sales volume between \$75,000 and \$375,000 in 1950.

Group 3—Retail stores (other than independent stores) with annual sales volume of less than \$375,000 in 1950.

Group 4—Retail stores (independent or otherwise) with annual sales volume of \$375,000 or more in 1950.

Under the OPA regulations \$50,000 annual sales volume was the dividing line between Group 1 and 2 stores, and \$250,000 annual sales volume was the dividing line between Group 2 stores (independent stores) and independent Group 4 stores. The same figure was used to determine whether a chain store was a Group 3 or Group 4 store. At the time price controls expired in 1946, the Group of a retail store was determined by its sales volume in 1945. There was no objection from the industry to these particular volume definitions. However, some adjustment in this volume classification is necessary now by reason of the increased price of food to reach results similar to those employed in 1946.

The Director of Price Stabilization has determined that the changes in the Bureau of Labor Statistics Consumers Food Price Index provides the best point of departure for this adjustment. For the year 1945, this Index stood at 139 percent, and by 1950 it had risen to 204 percent. This is an increase of approximately 47 percent. Therefore, it has been concluded to use \$75,000 annual sales volume as the dividing line between Group 1 and 2 stores and \$375,000 as the dividing line between Group 2 and Group 4 independent stores. The latter figure is also used to separate the chain stores into Groups 3 and 4.

(b) *Method for figuring ceiling prices.* For wholesalers and retailers the pricing technique for the dry groceries (Tables A) is the same. They are required by section 3 of each regulation to apply the markup given in Table A to the most recent delivered cost before the effective date of the regulations. The resulting amount will be the ceiling price. However, section 3 (c) of each regulation provides that with respect to each item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32, and 33 under Tables A both wholesalers and retailers may continue to use the legal ceiling price for each item under the General Ceiling Price Regulation if their last purchase of the particular item was made prior to January 26, 1951, until they receive

delivery of a purchase made after that date. Of course, the ceiling price for any item that falls within food commodity groups 8, 10, 11, 12, 13, 32, and 33 which is purchased after January 26, 1951, must be figured by applying the provisions of these regulations.

In the case of those sellers who purchased items of the 1950 pack several months ago, the application of the markups to costs of those purchases would result in ceiling prices that do not reflect current condition. Consequently, the volume purchaser's prices would be vastly different from those of the smaller purchaser, since the cost price for the items has increased considerably since the 1950 pack came in. Likewise, by applying the markup provisions to the items of the 1950 pack purchased prior to January 26, 1951, a sharp increase in the prices of the items will naturally result when the new pack comes in. For these reasons, the exception with respect to each item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32, and 33 is necessary in order to keep prices as stable as possible.

(c) *Effective date of the regulations.* The new ceiling prices established by applying the provisions of these regulations must be put into effect on all items not later than April 30, 1951. Between April 5, 1951, and April 30, 1951, the new ceiling price on any item may be put into effect as soon as it is figured. If the new ceiling price is not put into effect for an item prior to April 30, 1951, the existing ceiling price under General Ceiling Price Regulation for that item must remain in effect until April 30, 1951. In the event any item is delivered between April 5, 1951, and April 30, 1951, for which there is no ceiling price, the ceiling price must be figured according to the rules of these regulations.

(d) *Recalculation of ceiling prices.* These regulations permit a weekly recalculation of prices which was not permitted under the regulations of OPA. Before making a sale of an item of "dry groceries" on each Monday after April 30, 1951, the ceiling price for any item must be refigured if the net cost of the item is different from the net cost on which the existing ceiling price is based. Recalculation is necessary until such time as the processors' ceilings are stabilized by the Office of Price Stabilization. Because of the parity provisions of the Defense Production Act of 1950 this cannot be accomplished with respect to a substantial number of the food commodities controlled by these regulations at this time. At such time as the items at the processor level are stabilized the recalculation provisions of the regulations will be revoked. However, the perishable commodities in Tables B of the retail regulations will still be subject to recalculation. These commodities because of their seasonal and perishable characteristics are subject to sharp and unforeseeable price fluctuations.

(e) *Posting.* All retailers must at all times post their current selling price for each item of food covered by these regulations. Such displayed price must never exceed the ceiling price. All retailers must post the Group their store is in.

(f) *Packaging and assembling allowances.* It has been the practice of many wholesalers and retailers to purchase certain food commodities in bulk and then to package and resell them in cardboard containers, transparent, cotton or interlined coffee bags, or kraft bags or similar

type bags. The markups provided in the regulations do not include the entire factor necessary to cover the extra cost of packaging incurred by such bulk purchasers. Therefore, whenever such expense is incurred, certain set amounts may be included in figuring ceiling prices. The allowances are set forth in sections 18 of the retailer regulations and section 13 of the wholesale regulation. The figures contained therein are slightly higher than the packaging allowances previously granted under the OPA regulations in order to reflect the increased cost of such packaging material. This allowance does not apply to the packaging of items at the time of sale.

(g) *Retail delivery and assembly allowance.* The retail regulations establish an allowance for delivery by retail stores to customers' homes or places of business. In arriving at the markups for all retail stores a proper allowance for such delivery was not included since all retail sales are not delivered. With such a small amount of service included in the given markups, it was decided that an extra allowance was necessary to compensate those who incurred this expense. In addition, the Group 3 and 4 regulation establishes an allowance for assembly of orders taken by telephone. A similar provision was not included in the Group 1 and 2 regulation since assembly of orders by telephone is a normal practice in Group 1 and 2 stores and the markups applicable to those stores reflect an appropriate allowance for such service. This was not true in case of Group 3 and 4 stores and hence a special pricing provision is proper. A fee of 25 cents is allowed to all retail stores for deliveries of food orders to customers' homes or places of business, as a separate charge, where the total value of the delivery is \$3.00 or more, and an additional fee of 15 cents is allowed to Group 3 and 4 stores, who generally offer the service of taking telephone orders and assembling them, for assembly of orders taken by telephone.

(h) *Transportation allowances for delivery from warehouses to retail stores—(1) Wholesalers.* Many wholesalers deliver to stores a great distance away and in the past have taken care of this expense in various ways, which makes it impossible to determine any standard delivery for deliveries outside of a free zone. Therefore, wholesalers are permitted to use the same differentials as they have used in January 1951. These differentials must be included as part of the wholesalers' ceiling prices so that retailers will not have to allocate this cost among the various items purchased. Wholesalers who did not use a zone system during January 1951 but instead an average price are allowed to add certain percentages for deliveries over 125 miles. Likewise, the regulations contain specific provisions for additions by wholesalers making f. o. b. sales.

(2) *Retailers.* The markup provisions of these regulations reflect the cost of delivery from the retailers' warehouses to their stores located within a normal delivery zone. However, some retailers deliver much greater distances and in order to compensate for this expense, varying additions to net cost are allowed, depending on the distance beyond the normal delivery area.

(i) *Pyramiding of markups.* Special provisions are included in the regulations to prevent pyramiding of markups. Wholesalers buying from other whole-

salers must use the "net cost" to the first wholesaler on such purchases where they have not previously established ceiling prices under the regulation as a basis for figuring their ceiling prices, provided the "net cost" does not exceed the "net cost" had the purchases been made from the manufacturer or processor. Retailers are not allowed to use any purchase from another retailer to figure a ceiling price if it results in a net cost higher than the retailer would have if the purchase was made from a regular supplier or any other normally available source.

(j) *Other special pricing provisions.* In addition to the aforementioned provisions the Group 3 and 4 regulation contains certain special methods of figuring net cost for certain commodities purchased in a particular way. All of Article II—Special Pricing Provisions, in this regulation is not fully printed in the regulation for Group 1 and 2 stores but these provisions are applicable by cross references. Such provisions seldom apply to smaller stores and it was felt that simplification would be added if they were omitted from the Group 1 and 2 regulation and if these stores were referred to the Group 3 and 4 regulation where such provisions were applicable.

ADJUSTMENT PROVISIONS OF THE REGULATIONS

(a) *Classification adjustments.* Any rigid classification such as is necessary in a standard markup regulation will work hardship on certain distributors who by accident of definition fall into one classification whereas their horizontal operation and margin pattern is actually that of another classification. Therefore, in both wholesale and retail regulations, provision has been made whereby a distributor performing the same service as one in another class, having a margin as high as that of the other class, and having a price structure similar to that of the class, may be transferred to the other class. These provisions are contained in sections 26, 27, and 28 of the wholesale regulation and section 26 of the retail Group 3 and 4 regulation. These adjustment provisions are not intended for distributors who do not meet these criteria, and adjustments will not be granted unless it can be demonstrated that such reclassification is justified.

With regard to section 26 (a) (4) of the Group 3 and 4 regulation, under the OPA regulation the criteria for adjustment was based on the total gross margin being more than 25 percent on all sales in the food departments and also, if the store was not an independent store, more than 25 percent on the combined sale of the food departments in all stores of the organization. The percentage figure of more than 25 percent contained in the OPA regulation has been reduced to 23 percent or more in this regulation because the available facts clearly indicated that there had been a lowering of the gross margins for this type of operation. The substantial difference existing between a 23 percent markup and the standard markup of Group 3 and 4 stores should assure that the stores, in fact, have been conducting a different type of operation and that reclassification is justified. In order to eliminate the need for examining the individual adjustment applications under this section immediately, the regulation provides that all those stores which qual-

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ified for such adjustment under the OPA regulation will automatically qualify under this regulation upon the filing of an adjustment application, provided they meet the test that their total gross margin in the fiscal year 1950 was 23 percent or more on all sales in their food department and also, if not independent stores, 23 percent or more on the combined sales of the food departments in all the stores, for which adjustment is sought, of their organization. These applications will be reviewed later and if an applicant is found not to have qualified with the specific provisions of this regulation, the adjustment will be revoked. For the same reasons, it has been determined with respect to similar provisions of the wholesale regulation to reduce the criteria for adjustment used under the OPA wholesale regulation from at least 20 percent to at least 18 percent.

(b) *Local shortage adjustments.* Price control may possibly result in some areas being deprived of a food supply. To avoid such a local shortage, which might occur if all the retailers in a remote area withdraw from business, an adjustment may be granted when the retailers furnish adequate proof that they are necessary to assure an adequate supply of food in a certain locality, and of the existence of necessary higher operating costs. It is also necessary for them to establish that any adjustment granted will not create a shortage or a need for increase in prices in another locality.

DOLLARS-AND-CENTS CEILING PRICES

The fixed markup technique is a sound and effective method of price control for food distributors. However, as food costs become stabilized it will be possible to translate margin calculations into specific dollars-and-cents ceiling prices. These dollars-and-cents ceilings provide an even simpler and more effective type of price control. When such dollars-and-cents prices are fixed, no item may be sold thereafter at higher prices and the orders issued to that end may provide that such prices take the place of the ceiling prices fixed under these regulations. If such orders do not provide that they replace the ceiling price under these regulations, then the ceiling price may be figured under these regulations.

CONCLUSION

In formulating these regulations the Director of Price Stabilization has consulted extensively with industry representatives and has given full consideration to their recommendations. In his judgment the provisions of these regulations are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

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Sec.

1. What this regulation does.
2. How you determine to which class your business belongs.

Sec.

3. How and when you figure ceiling prices.
4. Directions for applying the rule.
5. How you figure your ceiling price for "new items."
6. New wholesalers.
7. How you figure your ceiling prices each week, starting Monday, April 30, 1951.
8. Indirect price increases prohibited.
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13. Additions to "net cost" for packaging.
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17. How you figure your ceiling prices for foods you "manufacture or otherwise process."
18. How a retailer-owned cooperative wholesaler figures ceiling prices for sales to non-members.
19. How a service wholesaler figures ceiling prices for cash-and-carry sales.
20. How a service wholesaler figures ceiling prices for sales to commercial, industrial or institutional users.
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22. Addition allowed for deliveries by Class 1 and Class 2.
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26. How retailer-owned cooperative wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for other wholesalers.
27. How certain wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for service wholesalers.
28. How service wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for institutional wholesalers.

ARTICLE IV—MISCELLANEOUS PROVISIONS

29. Transfer of business and stock in trade.
30. Taxes.
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33. Definitions.
34. Geographical applicability.

ARTICLE V—TABLE AND COMMODITY DEFINITIONS

35. Table of mark-up figures.

AUTHORITY: Sections 1 to 35 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong.; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

ARTICLE I—GENERAL PROVISIONS

SECTION 1. What this regulation does. This regulation fixes new ceiling prices for the foods listed in Table A for wholesalers selling these food products. These new ceiling prices are to be used on and after April 30, 1951, instead of the ceiling prices figures under any other price regulation or order issued by the Office of Price Stabilization (hereinafter called OPS), and regardless of any contract or any other law.

SECTION 2. How you determine to which class your business belongs—(a) What wholesalers are covered. Your business is classified under this regulation, if, prior to the effective date of the regulation you were and still are a wholesaler, the larger part of whose food sales are of

food products which you purchase for resale and distribute from your warehouse without materially changing their form, to independent retail stores, or to commercial, industrial or institutional users. This regulation does not apply, however, to "wagon wholesalers," "flour jobbers," Great Lakes marine suppliers, or to sales of "cookies, crackers, toast and crumbs" by "cookie and cracker wholesalers."

(b) *Classes of wholesalers.* Wholesalers covered by this regulation are defined as follows:

(1) *Class 1: retailer-owned cooperative wholesaler.* You are a retailer-owned cooperative wholesaler if you are either a non-profit organization or a corporation 51 percent of the stock of which is owned by your independent retailer customers.

(2) *Class 2: cash-and-carry wholesaler.* You are a cash-and-carry wholesaler if you are not in Class 1 and the larger part of your food sales were, prior to the effective date of this regulation, made without delivery, to independent retail stores, or if they were made with delivery you made a charge for delivery to all customers.

(3) *Class 3: service wholesaler.* You are a service wholesaler if you are not in Class 1 and the larger part of your food sales were, prior to the effective date of this regulation, and still are made, to independent retail stores, with delivery to all customers in a base zone without charge.

(4) *Class 4: institutional wholesaler.* You are an institutional wholesaler if you are not in Class 1 and the larger part of your food sales were, prior to the effective date of this regulation, and still are made to commercial, industrial or institutional users. For the purposes of this regulation "marine provisioners" shall be considered institutional wholesalers. (If you do business in more than one of the ways outlined above, see sections 18, 19, 20, and 21.)

(c) *When you must notify OPS of the class in which you operate.* Within 30 days after the issuance of this regulation, you must notify the OPS District office for your area, of your class of wholesaler, using OPS Public Form No. 4 which you may obtain from the OPS District office for your area.

SEC. 3. How and when you figure ceiling prices—(a) General Rule. Your ceiling price for each item (that is, for each kind, brand, grade, variety, container type and container size) of food listed in Table A shall be the result of (1) the "net cost" you had to pay for the most recent delivery of the item to you before April 30, 1951, multiplied by (2) the mark-up figure given you for it in Table A.

(b) *When you must figure your ceiling prices.* By the opening of business on April 30, 1951, you must have figured your ceiling price for each item of food covered by this regulation which you have in stock at that time. Between April 5, 1951 and April 30, 1951, you may put into effect the new ceiling price on any item as soon as you figure it; you must put the new ceiling prices into effect on all items not later than April 30, 1951. If you do not put the new price for an item into effect before April 30, 1951, you must continue to use your existing ceiling for that item until April 30, 1951. If you receive delivery of any item between April 5, 1951, and April 30,

1951, for which you have no ceiling price, you must, before selling it, figure your ceiling price according to the rules of this regulation.

(c) *Special rule for certain items of the 1950 pack.* If, in the case of any item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32, and 33 in Table A, your last purchase of the particular item was made prior to January 26, 1951, you may continue to use your legal ceiling price for such item under the General Ceiling Price Regulation until you receive delivery of a purchase made after that date. When you receive delivery of such a purchase, you must figure your ceiling price for the item in accordance with the provisions of this regulation.

SEC. 4. *Directions for applying the rule*—(a) *Net cost.* To figure your ceiling price, first find the "net cost" of the item, based on its most recent delivery to you before April 30, 1951. Your "net cost" will be the amount you paid your supplier less all discounts except the discount for prompt payment and swell and label allowances, plus all transportation charges you paid except local trucking and local unloading. Treat as a separate item each kind, brand, grade, variety, container size and container type.

(1) Your net cost must be figured on purchases of a customary quantity from a customary type of supplier delivered to your usual receiving point by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost of the unit in which you receive delivery (i. e., per dozen, per case, per bag, etc.) to the nearest cent.

(3) For items you "manufacture or otherwise process" use the special rules in section 17.

(b) *Mark-up.* Turn to Table A to find the mark-up figure for the item given your class of wholesaler. Table A lists all the items covered by this regulation by commodity groups.

(c) *Ceiling price.* Next multiply your "net cost" by the mark-up figure in Table A for your class of wholesaler for the item being priced. The resulting amount will be your ceiling price. You must not change this ceiling price except in accordance with section 7.

(d) *Fractions.* All calculations of ceiling prices resulting in a fraction of a cent shall be reduced to the nearest lower cent if the fraction is less than one-half cent, and shall be increased to the nearest higher cent if the fraction is one-half cent or more.

If you sell an amount less than the unit in which you receive delivery, you must reduce your ceiling price proportionately, rounding any fraction to the next higher cent.

(e) *Invoices.* You must write your net cost per unit of the purchase on which you have figured your ceiling price either on your invoice or other record of the price you paid for the item or on a separate slip of paper and attached to that invoice or other record.

You must keep separate, or mark or tag plainly, all invoices or records showing the "net cost" of the unit in which you received delivery and which you used in figuring your ceiling prices. The invoices and records you used in figuring your ceiling prices are your means of proving that your ceiling prices are right.

SEC. 5. *How you figure your ceiling price for "new items".* (a) A "new item" is any item which you did not have in stock at the opening of business on April 30, 1951. You must figure your ceiling price for a "new item" before selling it, following the rules in Section 4, basing your "net cost," however, on the first delivery of the item to you on or after April 30, 1951.

In pricing new items it is a violation to use the "net cost" of a first purchase made in a non-customary manner (that is, from a non-customary supplier or in a non-customary manner) when you know that you will be making future purchases in a customary manner. If your first purchase is of this type you must find out and use, in figuring your ceiling price, what the "net cost" would be of a purchase from a type of supplier usually used for a similar item and of an amount in which a similar item is usually purchased.

SEC. 6. *New wholesalers.* If, on or after April 30, 1951, you begin to operate as a wholesaler as defined in section 2, you are subject to this regulation, and as such a new wholesaler you must figure all your ceiling prices for all sales of food items covered by this regulation in accordance with the following provisions.

(a) If you are a retailer-owned co-operative wholesaler, you must figure all of your ceiling prices for sales to members as a retailer-owned cooperative (Class 1) wholesaler and are subject to all of the provisions applicable to such a wholesaler.

(b) If you are not a retailer-owned cooperative wholesaler you must figure your ceiling prices in the following way:

(1) For sales to independent retail stores made without delivery, you shall use the markups applicable to a cash-and-carry (Class 2) wholesaler.

(2) For sales to independent retail stores made with delivery, you shall use the markups applicable to a service (Class 3) wholesaler.

(3) For sales to commercial, industrial or institutional users, you shall use the markups applicable to an institutional (Class 4) wholesaler.

(c) You must figure your ceiling price for an item before selling it, in accordance with section 4, basing your "net cost," however, on the first delivery of an item to you on or after the date you open your place of business subject to all of the provisions covering the sales of "new items" in section 5.

(6) For sales to retail stores which are not independent retail stores, and for sales to other wholesalers and all other sellers, your ceiling price for any item shall be your supplier's ceiling price for such item plus transportation charges to your usual receiving point.

(e) Within 10 days after you become a new wholesaler under this section, you must notify the OPS District office for your area that you are operating under the provisions of this section.

(f) The provisions of this section may not be used by any person who, at the opening of business on April 30, 1951, was subject to this regulation, or by any person owned or controlled by any wholesaler who at the opening of business on April 30 was subject to this regulation.

SEC. 7. *How you figure your ceiling prices each week, starting Monday, April 30, 1951.* Before making any sale of an item of "dry groceries" on each Monday

after April 30, 1951, you must refigure your ceiling price for any item if your "next cost" of that item is different from the "net cost" on which your existing ceiling price is based. You must follow the rule in section 4 basing your "net cost," however, on the largest single delivery of a customary quantity received by you from your customary type of supplier during the seven days preceding Monday. If you cannot determine your "largest single delivery" because you have received more than one delivery of the same quantity, use the most recent of these deliveries.

SEC. 8. *Indirect price increases prohibited.* You must not evade any of the provisions of this regulation or any order issued pursuant to it, by any scheme or device. You must not, as a condition of selling any particular food item, require a customer to buy anything else. Any such evasion is punishable as a violation of this regulation.

You may not use an unnecessarily high "net cost" in figuring a ceiling price under this regulation. If you make such a high cost purchase, you must find out what your net cost, as used in Section 4, would be and use that net cost to figure your ceiling price.

SEC. 9. *Invoices and receipts.* You must give each of your customers an invoice, receipt or other evidence of purchase in connection with every sale, retaining a copy for your files. Each such record you prepare and give your customer must show the date of sale, the name and address of your customer, your name and address, each food item sold, and the price you charged for it. Be sure that your description of each item shows the kind, brand, variety, container-size and container-type.

SEC. 10. *Records.* After April 5, 1951, you must keep for so long as the Defense Production Act of 1950, as amended, remains in effect, all your invoices, freight bills, and other records showing the price you paid for each item and the date you received delivery of each item covered by this regulation. You are required to show all your invoices and records on request of any OPS representative. You are also required to keep available for inspection by any OPS representative the records you used in determining your class. In addition, you are required, on request of any OPS representative, to furnish a written record of your ceiling price for any or all of the items covered by this regulation.

SEC. 11. *Prohibitions.* On and after April 30, 1951, if you sell or deliver or offer to sell or deliver at a price higher than your ceiling price fixed by this regulation, or any order issued pursuant to it, or if you otherwise violate any provision of this regulation, or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950, as amended. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that act.

SEC. 12. *Further provisions supplementing or explaining this regulation.* From time to time, the Price Director may, by amendment, issue further provisions which will supplement the pro-

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visions of this regulation or explain the rights and duties of buyers and sellers under it. These further provisions will become part of this regulation and may be added as paragraphs to this section.

(a) Whenever an amendment adds any food product to the list of items covered in Table A, you must figure your ceiling price for that food product in accordance with sections 3, 4, and 5. However, in doing so, you shall substitute the effective date of such amendment for the date, April 30, 1951, whenever it appears in sections 3, 4, and 5.

(b) Whenever an amendment changes either a commodity definition in Table A by transferring a food product from one commodity group to another or the markup for your class of wholesalers, you must, by the opening of business on the effective date of such amendment, refigure your ceiling prices for the items affected by such amendment. In doing so you must use your "net cost" the same "net cost" you used in figuring the ceiling prices you had on the effective date of the amendment.

ARTICLE II—SPECIAL PRICING PROVISIONS

SEC. 13. *Additions to "net cost" for packaging.* If you buy in bulk any item covered by this regulation except spices, tea and gelatin, and then package and sell it in cardboard containers, cotton bags, transparent bags, interlined coffee bags, or kraft bags or similar type bags on which the name, weight, and ingredient of the commodity and your name are stamped or printed and which are packed and sealed at a place and time other than the point and time of sale, you may add to your "net cost" whichever of the following allowances applies:

(a) 2 cents for every such bag or container with a net weight of less than 2 pounds.

(b) 2½ cents for every such bag or container with a net weight of 2 pounds or more, but less than 5 pounds.

(c) 1 cent per pound for every such bag or container with a net weight of 5 pounds or more, but not to exceed a total of 5 cents.

SEC. 14. *Gift and holiday packages assembled by you.* If you assemble, into gift or holiday packages, any food items covered by this regulation, with or without any items not covered by this regulation, your ceiling price for each such package will be the sum of the following multiplied by 1.05.

(a) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(b) Your direct cost of the packaging materials used for the package, including the container.

SEC. 15. *Purchases and sales between wholesalers.* (a) If you purchase from another wholesaler covered by this regulation, an item for which you have not previously been required to establish a ceiling price under this regulation, you must secure a written record of that wholesaler's "net cost." To get your "net cost" for the item, you will add to that wholesaler's "net cost" the transportation charges you paid (not including local trucking or local unloading) to your usual receiving point. You will multiply the resulting figure by the

mark-up figure for your class of wholesaler to get your ceiling price. However, your "net cost" for an item under this section may not exceed the net cost for that item had you purchased it from the manufacturer or processor. When you sell to another wholesaler an item covered by this regulation, you must furnish him with a written record of your "net cost" for the item.

(b) This section shall not apply to any imported food item which you purchase from a wholesaler who has imported that item.

(c) This section shall not apply with respect to ceiling prices figured for your sales to boat and steamship companies and ship operators for the provisioning of boats and ships, if you are a marine provisioner, the larger part of whose purchases of "dry groceries" were, prior to January 1951 and still are, made from other wholesalers: *Provided*, that before this exemption shall apply to you, you must receive a written order from the Regional Office of the OPS that covers the area in which you are located. You must file with such Office a written request, which shall include a statement showing the total amount of "dry groceries" you purchased from all sources during 1948, 1949, 1950, and 1951, and the total amount you purchased from wholesalers during each of those years. If such permission is granted, you shall figure your ceiling prices for such sales of items purchased from other wholesalers in accordance with the provisions of Sections 3, 4 and 5. For each item for which you have figured a ceiling price before such permission is granted, you must refigure your "net cost," basing it, however, on the same purchase you used in figuring your existing ceiling price for the item.

Each Regional Director of the OPS may, by order, act on all requests for exemption filed under the provisions of this paragraph (c) by sellers located in his region.

SEC. 16. *Items which you import.* This regulation shall not apply to you for sales of any item purchased by you directly from a foreign seller or his agent for importation into the continental United States. Your ceiling price for such items shall be determined by you in accordance with the General Ceiling Price Regulation or any other applicable ceiling price regulation covering the sale of the item by importers.

SEC. 17. *How you figure your ceiling prices for foods you "manufacture or otherwise process."* If you "manufacture or otherwise process" and sell at wholesale any item covered by this regulation you will determine your "net cost" or ceiling price for such an item under whichever of the following provisions applies:

(a) If the item is one for which OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers, but the regulation makes no provision for manufacturers selling to retailers, the lowest ceiling price under that regulation for sales delivered to your usual receiving point shall be your "net cost."

(b) If the item is one for which OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers and makes a provision for manufacturers selling to retailers, you shall figure your ceiling

price for such item as a manufacturer under that regulation. You will not attempt to figure a "net cost" and apply a mark-up figure under this regulation.

(c) If the item is one for which OPS has not issued, or does not later issue, a regulation establishing dollars-and-cents ceiling prices for sales by manufacturers, you shall figure your ceiling price for such item as a manufacturer under the appropriate regulation covering sales of such item by manufacturers. You will not attempt to figure a "net cost" and apply a mark-up figure under this regulation.

(d) If, after you have established a ceiling price for an item which you "manufacture or otherwise process," the manufacturing regulation which you used in figuring your ceiling price under paragraph (a), (b), or (c) of this section is amended so that either (1) the manufacturer's regulation is no longer the type described in the applicable paragraph of this section or (2) the type of regulation is not changed but the prices set forth therein are changed, you must, within 5 days after the effective date of such amendment, refigure your ceiling price for the item under the applicable paragraph of this section based on the manufacturer's regulation as amended.

(e) For the purposes of this regulation you shall be considered a manufacturer of any item which you "manufacture or otherwise process" directly, or which is manufactured for you by a person to whom you supply the raw material.

SEC. 18. *How a retailer-owned cooperative wholesaler figures ceiling prices for sales to nonmembers.* If you are a retailer-owned cooperative wholesaler and you sell to nonmembers (those retailers who have no share or interest in your ownership) your ceiling prices for your sales to nonmembers without delivery may be figured as a Class 2 wholesaler. If you sell and deliver to nonmembers, your ceiling prices for such sales may be figured as a Class 3 wholesaler, in which event you may not add to such ceiling prices the additions for delivery allowed in section 22 of this regulation.

SEC. 19. *How a service wholesaler figures ceiling prices for cash-and-carry sales.* If you are a service wholesaler but you also make cash-and-carry sales, you must use for such sales the mark-up figures of a cash-and-carry wholesaler if, during January 1951:

(a) You had a separate department for such sales, or

(b) You had a price list for such sales different from the price list which you used in making other sales.

SEC. 20. *How a service wholesaler figures ceiling prices for sales to commercial, industrial or institutional users.* If you are a service wholesaler and you make sales to commercial, industrial or institutional users, you may use for such sales the mark-up figures of an institutional wholesaler.

SEC. 21. *How an institutional wholesaler figures ceiling prices for sales to retailers.* If you are an institutional wholesaler, but you also make sales to retail stores, your ceiling prices for such sales made without delivery must be figured as a Class 2 (cash-and-carry) wholesaler and your ceiling prices for

such sales made with delivery must be figured as a Class 3 (service) wholesaler.

SEC. 22. Addition allowed for deliveries by Class 1 and Class 2 wholesalers.

(a) If you are a retailer-owned cooperative wholesaler, or a cash-and-carry wholesaler, and you have customarily added a set amount or percentage to your sales price for delivering to retailers, you may, in figuring your ceiling price for each item you deliver to retailers, add to your ceiling price such set amount or percentage. The resulting figure will be your ceiling price for the item when delivered by you.

(b) If you are a retailer-owned cooperative wholesaler or a cash-and-carry wholesaler and you have not customarily added a set amount or percentage to your sales price for delivering to retailers, you may, in figuring your ceiling price for each item you deliver to retailers, add .01 to your markup figure (example: If your markup figure is 1.06, you change it to 1.07).

SEC. 23. Addition allowed for deliveries outside of a base zone—(a) Addition allowed to retailer-owned cooperative wholesalers, service wholesalers and institutional wholesalers. (1) If you are a retailer-owned cooperative wholesaler, a service wholesaler or an institutional wholesaler, who, during January 1951 customarily sold goods on a delivered basis in different zones at established price differentials between zones, you may, in figuring your ceiling prices for items delivered by you to such other zones, add to your "base zone" ceiling prices the same zone differentials which you added in January 1951. The resulting figures will be your ceiling prices for items delivered by you to such other zones. (Your base zone shall be the area surrounding your warehouse in which you customarily made free deliveries.)

(2) If you are a retailer-owned cooperative wholesaler, you may not, in figuring your ceiling prices under this section, include any addition allowed in section 22.

(3) Before using different delivered prices for different zones under this section, you must report, in writing, to the Distribution Branch, Food and Restaurant Division, OPS, Washington, D. C., the amount of such differential and a description of your base zone and delivery zones.

(b) Additions by certain wholesalers making f. o. b. sales. If you are a service wholesaler or an institutional wholesaler who, during January 1951 customarily sold f. o. b. your warehouse for delivery to zones or delivery points outside of your base zones, and

(1) If you added a freight charge when making such sales or included a freight charge in figuring your selling price, you may add to your ceiling price for each item the same charge or the same freight rate, apportioning the charge or freight rate to each item, in which case the resulting figure will be your ceiling price for the item when sold to such other zones or delivery points, or

(2) If your customer paid the freight bill, you may make such sales at your ceiling prices, the freight bill to be paid by the purchaser.

(c) Additions by certain wholesalers who did not use a zone delivery system or make f. o. b. sales. If you are a service wholesaler or an institutional wholesaler, who, during January 1951 customarily sold all customers on a delivered

basis at the same price regardless of distance from your warehouse, you may, in figuring your ceiling price for an item delivered by you to a customer located at a distance of 125 miles or more from your warehouse, add to your mark-up figure whichever of the following amounts applies:

(1) If your customer is located at a distance of from 125 through 199 miles from your warehouse, you may add .01 to your markup figure (example: If your markup on mayonnaise in Table A is 1.16, you change it to 1.17).

(2) If your customer is located at a distance of from 200 miles through 299 miles from your warehouse, you may add .02 to your markup figure.

(3) If your customer is located at a distance of from 300 miles through 399 miles from your warehouse, you may add .03 to your markup figure.

(4) If your customer is located at a distance of 400 miles or more from your warehouse, you may add .04 to your markup figure.

(5) If your method of figuring ceiling prices for items delivered to zones outside of a base zone falls within either paragraph (a) or paragraph (b) of this section, you may not use this paragraph (c) in figuring your ceiling prices for items delivered to such other zones.

SEC. 24. How you figure your "net cost" in certain cases—(a) Frozen fruits, berries, and vegetables. If, after you have figured a ceiling price for an item of frozen fruits, berries, fruit or berry juices, vegetables or vegetable juices, you do not receive additional deliveries of such an item from a supplier but you have had such item in storage from which you supply your customers, for a period of at least four weeks since you last figured your ceiling price for the item, you may on the fourth Monday after you last figured your ceiling price for the item, add to the "net cost" (before the rounding of fractions) on which your existing ceiling price is based, your actual costs, per unit, incident to storage for the period since you last figured your ceiling price.

SEC. 25. Special pricing provisions for manufacturers selling some commodities at wholesale. Any person the larger part of whose business consists of the manufacturing or processing of foods but (a) his entire business in connection with a particular commodity consists of the purchase and resale of such commodity without materially changing its form and (b) the larger part of his sales of such commodity are made to independent retail stores or to commercial, industrial or institutional users (c) may figure his ceiling price under this regulation for sales of such commodity to retailers and commercial, industrial or institutional users, if the particular goods sold have been warehoused and are being sold in less-than-carload lots.

ARTICLE III—ADJUSTMENT PROVISIONS

SEC. 26. How retailer-owned cooperative wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for other wholesalers. If you are a retailer-owned cooperative wholesaler, you may file an application for permission to use the mark-up figures designated for another class of wholesaler if you can establish:

(a) That you have customarily operated in the same manner as the other class of wholesaler, and

(b) That in 1950 you had an overall gross margin at least as high as the overall gross margin you would realize by using the mark-up figures specified in this regulation for such other class of wholesaler.

(c) Your application must set forth the following:

(1) A statement as to whether your members received dividends or other proceeds from your organization; the basis for determining the amount of such payments; the amount of such payments for the years 1950 and, if available, so far in 1951.

(2) The amount and conditions of fees, if any, paid by your members in addition to the invoice price of commodities;

(3) Your profit and loss statement for your fiscal years 1950 and so much of 1951 as is available, and balance sheets as of the end of each such accounting period;

(4) Your percentage mark-up over invoice cost for sales during 1950 to your members for each commodity group listed in this regulation, and if sales were made to non-members, the same information with respect to such sales;

(5) Any evidence you may be able to furnish showing the difference between your operations and functions and those of the usual retailer-owned cooperative wholesaler, including a statement of any special service performed by you, any additional compensation received for such special services, and a reasonable basis for distinction or classification, if any, between you and other retailer-owned cooperative wholesalers.

(d) Such application must be filed in duplicate with the Distribution Branch, Food and Restaurant Division, OPS, Washington 25, D. C. You may not use these requested mark-up figures until you have received specific authorization from such OPS office. Applications for adjustment are governed by Price Procedural Regulation 1.

SEC. 27. How certain wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for service wholesalers. (a) If, prior to April 5, 1951, the larger part of your dollar food sales were made, with delivery to independent retail stores, but you are a Class 2 wholesaler because you did not deliver to all customers in a base zone without charge, you may file an application for permission to use the mark-up figures designated for service wholesalers, if you can establish that:

(1) Most of your sales prior to April 5, 1951, were, and still are made with delivery;

(2) Most of your sales prior to April 5, 1951, were, and still are made, through the services of outside salesmen or fieldmen;

(3) Most of your sales prior to April 5, 1951, were, and still are made, with credit; and that

(4) Your total gross margin was at least twelve percent on gross sales in your fiscal year 1950.

(b) Your application must set forth the following for the calendar or fiscal year 1950:

(1) Total dollar amount of sales;

(2) Cost of goods sold;

(3) Total dollar amount of sales made with delivery and delivery charges, if any;

(4) Total dollar amount of sales made through outside salesmen or fieldmen;

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(5) Total dollar amount of credit sales; and

(6) Profit and loss statement.

(c) Such application must be filed in duplicate with the Distribution Branch, Food & Restaurant Division, OPS, Washington 25, D. C. If your application is approved, you will be authorized to figure your ceiling prices as a service wholesaler, subject to all of the provisions applicable to such wholesalers and you will be authorized to make charges for delivery only in accordance with the provisions of Section 23 (c). You may not use these requested mark-up figures until you have received specific authorization from such OPS office. Applications are governed by Price Procedural Regulation 1.

SEC. 28. *How service wholesalers may, under certain conditions, apply for permission to use the mark-up figures designated for institutional wholesalers.* If you are a service wholesaler (you must consider each warehouse as a separate wholesaler), you may file an application for permission to use the mark-up figures designated for institutional wholesalers if you can establish:

(a) The total gross margin on all sales made by you in your fiscal year 1950 was at least 18 percent; and

(b) During the year 1950 your operations and functions differed substantially from those of the usual service wholesaler; for example, you regularly distributed grocery products over a much wider area and you offered for sale a substantially greater number of items of food than the usual service wholesaler.

(c) Your application must set forth the following for each warehouse for which the application for adjustment is filed:

(1) Profit and loss statements for the fiscal years 1949, 1950, and so much of 1951 as is available, and balance sheets as of the end of each such accounting period;

(2) Any evidence you may be able to furnish concerning the difference between your operations and functions and those of the usual service wholesaler, and a reasonable basis for distinction or classification between you and other service wholesalers;

(3) A list of the states to which you regularly distributed grocery products in 1949 and 1950 and an approximation of the volume of sales made by you in each of the states during 1949 and 1950 and

(4) The number of food items that you offered for sale in 1950.

(d) Such application must be filed in duplicate with the Distribution Branch, Food & Restaurant Division, OPS, Washington, D. C. You may not use these requested mark-up figures until you have received specific authorization from such OPS office. Applications for adjustment are governed by Price Procedural Regulation 1.

ARTICLE IV—MISCELLANEOUS PROVISIONS

SEC. 29. *Transfer of business and stock in trade.* If, after April 30, 1951, you acquire in any way the business, assets and stock in trade of any wholesaler covered by this regulation and you carry on the business, or continue to deal in the same type of food products in the same establishment, and you render the same service and sell to the same class of purchaser, your ceiling prices shall be the same as those of the former owner as if no transfer had taken place. You must

keep all the records needed to verify your ceiling prices. The former owner must either preserve and make available to you or give you all the records of his transactions before you need to comply with the record provisions of this regulation.

If, after the transfer, you fall into a class of wholesaler different from the former owner's, your ceiling prices shall be those for the class of wholesaler in which you fall. (For example: If you acquire the business, assets, and stock in trade of a service wholesaler and you decide to discontinue making deliveries, your ceiling prices must be figured as a cash-and-carry wholesaler, using as your "net cost" the same "net cost" the former owner used in fixing ceiling prices.)

SEC. 30. *Taxes.* You may collect, in addition to your ceiling price, any tax upon or incident to a sale at wholesale of food covered by this regulation, if you state the tax separately, and if the tax statute or ordinance does not prohibit sellers from stating and collecting the tax separately from the price.

SEC. 31. *Export sales.* The ceiling prices at which a person may export any product covered by this regulation shall be determined in accordance with the applicable price regulation covering export sales, issued by the OPS.

SEC. 32. *Relation to other regulations.* The provisions of this Ceiling Price Regulation No. 14, except as otherwise provided in this regulation, shall, on and after April 30, 1951, supersede the provisions of the General Ceiling Price Regulation and any other price regulation or order issued by the OPS with respect to sales and deliveries for which ceiling prices are established by this regulation.

SEC. 33. *Definitions—(a) Delivery.* Delivery to you of any item covered by this regulation shall be considered to have occurred when the item has been received by you at your usual receiving point.

(b) *Usual receiving point.* Your usual receiving point will be the warehouse at which you generally receive the particular item you are pricing under this regulation and from which you generally supply your customers.

(c) *Manufacture or otherwise process.* "Manufacture or otherwise process" shall mean blending, freezing, canning, preserving, milling, bottling, crushing, straining, roasting, centrifuging, cooking, distilling, purifying with heat, and other similar operations, and packaging of spices, tea and gelatin. Packaging as used in section 13 except spices, tea and gelatin shall not be considered manufacturing or processing under this regulation.

(d) *Independent retail store.* Independent retail store shall mean one that is not one of four or more stores under one ownership whose combined "annual gross sales" are \$750,000 or more.

(e) *Wagon wholesaler.* A "wagon wholesaler" is a wholesaler who distributes food products to retail stores or to commercial, industrial, or institutional users from an inventory stocked in trucks or other conveyances under the supervision of driver-salesmen who make deliveries at the time and point of sale. A wholesaler is a wagon wholesaler only of the food products he sells in this way.

(f) *Marine provisioners.* A "marine provisioner" is a person, the larger part of whose food sales are of food products which he purchases for resale and distributes from a warehouse, without materially changing their form, to boat and steamship companies and ship operators for the provisioning of boats and ships, with delivery from shore locations by the use of truck or launch facilities.

(g) *Flour jobber.* "Flour jobber" shall mean a person the larger part of whose business is the purchase and resale of flour made from wheat, semolina and farina without additional processing and in the original containers, to bakers and commercial, institutional or Government users. For sales to retail stores, "flour jobbers" must figure their ceiling prices for flour under this regulation.

(h) *Cookie and cracker wholesaler.* A "cookie and cracker wholesaler" is a wholesaler the larger part of whose food sales were, prior to the effective date of the regulation, and still are of "cookies, crackers, toast and crumbs" which he purchases for resale and distributes from a warehouse, to independent retail stores, or to commercial, industrial or institutional users.

SEC. 34. *Geographical applicability.* The provisions of this regulation shall apply to the 48 States of the United States and the District of Columbia.

ARTICLE V—TABLE AND COMMODITY DEFINITIONS

SEC. 35. *Table of markup figures (Table A)—(a) Instructions.* Table A (printed below) lists the commodities and the markup figures for the four classes of wholesalers covered by this regulation. For a detailed list of the items included in each category of commodities, see "Commodity definitions," printed immediately after Table A. This regulation must not be used to determine ceiling prices for the commodities listed in paragraph (c) of this section.

The commodities covered by this regulation are listed in the column at the extreme left of Table A and the four classes of wholesalers are listed across the top of Table A. To find your proper markup figure for any item, first determine the class of wholesaler to which you belong; then find the commodity listed at the left of Table A which includes the item you are pricing. Directly opposite, in the column for your class of wholesaler, you will find the proper markup figure for the item. This is the figure by which you should multiply your "net cost" in order to determine your ceiling price. Drop any fraction of a cent which is less than $\frac{1}{2}$ cent; take the next higher cent if the fraction is $\frac{1}{2}$ cent or more.

For example, you are a Service (Class 3) Wholesaler, and you want to figure your ceiling price for a case of 24 9-ounce packages of X Brand Spaghetti which you had in stock at the opening of business on April 30, 1951.

The amount you paid your customary type of supplier for your last purchase of a customary quantity of this item prior to April 30, 1951, was \$2.11 per case after deducting all discounts except the discount for prompt payment and swell and label allowances. In addition, you paid incoming freight, excluding local trucking charges, amounting to 13 cents per case. Your net cost is therefore \$2.24 per case. Now refer to Table A. Check

TABLE A

[Mark-up figures to be used by wholesalers in figuring ceiling prices for items covered by this regulation by commodities]

	Figures to be multiplied by net cost			
	Class 1	Class 2	Class 3	Class 4
	Retailer-owned cooperatives	Cash and carry	Service and delivery	Institutional
<i>Food commodities</i>				
1. Baby foods.....	1.06	1.085	1.135	1.185
2. Cereals, breakfast.....	1.035	1.06	1.08	1.13
3. Cocoa, chocolate, and cereal drink preparations.....	1.07	1.085	1.125	1.175
4. Coffee.....	1.055	1.065	1.09	1.14
5. Cookies, crackers, toast and crumbs.....	1.11	1.15	1.20	1.25
6. Corn meal, hominy and flour mixes.....	1.055	1.085	1.12	1.165
7. Dog and cat foods.....	1.06	1.09	1.105	1.15
8. Fish, processed.....	1.095	1.13	1.19	1.24
9. Flour.....	1.07	1.075	1.10	1.15
10. Frozen foods.....	1.24	1.24	1.24	1.29
11. Fruits, berries and fruit juices (canned) except fruit cocktail, pineapple, peaches and pears.....	1.105	1.155	1.18	1.23
12. Fruit cocktail, pineapple, peaches and pears (canned) except juices.....	1.06	1.085	1.135	1.185
13. Fruits, dried and dehydrated.....	1.055	1.125	1.165	1.215
14. Gelatin and pudding mixtures.....	1.06	1.07	1.105	1.155
15. Jams, jellies, preserves, honey and peanut butter.....	1.115	1.14	1.19	1.24
16. Lard, pure.....	1.035	1.035	1.075	1.125
17. Macaroni and spaghetti products.....	1.09	1.115	1.15	1.20
18. Mayonnaise and salad dressing.....	1.08	1.12	1.16	1.21
19. Meat, canned.....	1.055	1.08	1.10	1.15
20. Milk, canned.....	1.035	1.045	1.095	1.095
21. Oils, cooking and salad.....	1.07	1.075	1.10	1.15
22. Oleomargarine.....	1.045	1.085	1.14	1.19
23. Pickles and relishes.....	1.115	1.14	1.19	1.24
24. Rice.....	1.075	1.095	1.13	1.18
25. Shortening, hydrogenated.....	1.045	1.045	1.06	1.06
26. Shortening, other.....	1.045	1.045	1.05	1.06
27. Soups, canned.....	1.045	1.07	1.09	1.14
28. Soups, dehydrated.....	1.06	1.105	1.13	1.18
29. Spices.....	1.15	1.27	1.38	1.33
30. Syrups.....	1.07	1.10	1.115	1.165
31. Tea.....	1.06	1.095	1.115	1.165
32. Vegetables and vegetable juices (canned) except corn, green beans, tomatoes and tomato juice.....	1.07	1.14	1.20	1.25
33. Corn, green beans, peas, tomatoes and tomato juice (canned).....	1.06	1.085	1.135	1.185
34. Vegetables, dried and dehydrated.....	1.08	1.09	1.12	1.17
35. Vinegar.....	1.12	1.16	1.23	1.28
36. Miscellaneous foods.....	1.11	1.15	1.20	1.25

the list of commodities and you will find "Macaroni and spaghetti products." This category includes the item you are pricing. Directly opposite "Macaroni and spaghetti products", in the column headed "Class 3 Wholesaler," you will find the figure 1.15. Multiply your net cost by this mark-up figure; the resulting amount is \$2.576. By rounding up the fraction of a cent, which is more than $\frac{1}{2}$ cent, you will get your ceiling price of \$2.58 per case.

(b) *Commodity definitions.* These definitions apply to both domestic and imported items.

(1) Baby foods means "baby" or "junior" cereals, fruits, vegetables, meats, pudding, soups, and mixtures thereof packed in hermetically sealed containers. Excluded are dry baby cereals.

(2) "Cereals, breakfast" means bulk or packaged cereal items of any size commonly used as breakfast foods, both uncooked and ready-to-eat types including but not limited to, bran flakes, farina, popped rice, and rolled oats. Excluded are barley, corn meal, corn grits, hominy grits and flakes, rice, wheat bran flour, wheat germ and dry baby cereal. Also excluded are cereals mixed or coated with a confection, in the proportion of two thirds or more confection to one third cereal by weight.

(3) "Cocoa, chocolate, and cereal-drink preparations" includes, but is not limited to, coffee substitutes or extenders, chicory, malted milk preparations containing less than 35 percent malted milk, chocolate syrup packed in consumer sizes, chocolate bits, and cooking chocolate and packaged powdered skim milk (spray process). Excluded are

chocolate confections, bittersweet bars, milk chocolate, chocolate syrup packed in No. 10 tins or larger or one gallon containers or larger, powdered whole milks, powdered skim milk packaged in tin in inert gas, malted milk and any preparation containing 35 percent or more malted milk.

(4) "Coffee" means roasted coffee, whole or ground, decaffeinated coffee, coffee concentrates, and any mixtures of coffee with other products for beverage purposes. Excluded is frozen coffee concentrate.

(5) "Cookies, crackers, toast, and crumbs" includes, but is not limited to biscuits, Christmas cookies, fig crackers, graham crackers, pretzels, rye crackers, zwieback, melba toast, bread crumbs, cracker crumbs, cookies, matzo, matzo meal, and related matzo products. Excluded are bread, pies, cakes, doughnuts, coffee cakes, rolls, candies, Passover matzo, Passover matzo meal, related Passover products, and any bakery products which you manufacture. Also excluded are any items which are bought by you in bulk and sold loose.

(6) "Corn meal, hominy and flour mixes" means bulk or packaged corn meal, corn grits, hominy, hominy grits, hominy flakes, prepared hominy and bulk or packaged flour mixes milled from wheat, seminola, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, prepared pancake, biscuit, pie crust and gingerbread mix. Excluded is canned hominy which is in "Vegetables and vegetable juices, canned."

(7) "Dog and cat food" shall not include any item prepared by you for pet food, or any frozen dog or cat food.

(8) "Fish, processed" includes canned fish, canned seafood, and salted, pickled, smoked, dried or otherwise processed fish, such as fish cakes. Excluded are fresh or frozen fish, fresh or frozen seafood, frozen food products in which fish or seafood are combined with other ingredients, anchovies, anchovy paste, caviar, clams, crab meat, clam juice, kippered herring, lobster, lobster bisque, oysters, oyster puree and fish roe.

(9) "Flour" means bulk or packaged (in any size) flour milled from wheat, seminola, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, all-purpose family flour, cake flour, enriched flour, but excluding all flour mixes.

(10) "Frozen foods" means packaged quick-frozen or cold-packed foods sold from refrigerated cabinets or lockers, including, but not limited to all fruits, berries, fruit or berry juices, and mixtures (except any of the foregoing in containers of a capacity of more than 50 pounds), vegetables, vegetable juices, and mixtures, including mushrooms, dog and cat foods not prepared by you for pet foods, applesauce, macaroni and spaghetti products, chop suey, chow mein, gravies, pork-and-beans, soups, food products in which meat, chicken, turkey, fish or seafood are combined with other ingredients, meat stews, and corned beef hash, frozen instant coffee, concentrated frozen fresh milk, and frozen meat pies. Excluded are frozen pies and pastries, frozen meat, poultry, fish and seafood, ice cream, sherbet and frozen confections.

(11) "Fruits, berries, and fruit juices, canned" includes, but is not limited to, apple sauce, apple cider, berry juices, concentrated fruit juices, citrus fruits and juices, cranberry jelly and sauce, fountain fruits, maraschino cherries, fruit nectars, bulk apple cider, fruits for salad, pineapple juice and non-carbonated liquid fruit beverages such as grapeade, lemonade, and orangeade. Excluded are apple butter, fruit butters, jam, jellies, fruit preserves, coconut, olives, baby foods, dried fruits, dehydrated fruits, fruit cocktail, pineapple (except pineapple juice), peaches, pears and frozen fruits.

(12) "Fruit cocktail, pineapple, peaches and pears (canned) except juices." Excluded are fruits for salad and frozen fruits. "Canned" means processed and packaged in any container, whether or not hermetically sealed.

(13) "Fruits dried and dehydrated" (packaged or bulk) includes, but is not limited to, stuffed dried fruits, dried dates and figs, pitted dates and macerated dates. Excluded are fruit confections, candied or glazed fruits, and peels, fresh dates and date products.

(14) "Gelatin and pudding mixtures" includes, but is not limited to, gelatin, gelatin desserts, tapioca, arrowroot, consumer ice cream mixes, and rennet.

(15) "Jams, jellies, preserves, honey, and peanut butter" includes, but is not limited to, tomato preserves, marmalade, fruit preserves, fruit butters, smooth or crunch type nut butters, honey butter and all extracted honey (including combinations of extracted and comb honey) packaged in containers of a capacity of 15 pounds or less. Excluded are cranberry jelly or sauce.

(16) "Lard, pure" (packaged or bulk) includes, but is not limited to, rendered pork fat. Excluded are lard compounds

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which are classed as "shortenings, other."

(17) "Macaroni and spaghetti products" includes, but is not limited to, bows, egg alphabets, macaroni, spaghetti, vermicelli, "sea shells," noodles, macaroni dinners, spaghetti dinners, canned macaroni and canned spaghetti. Excluded are meat ravioli, tamales, dry noodle soup mixtures, spaghetti-and-meatballs, chicken-and-noodles, Chinese-style noodles, and frozen macaroni and spaghetti products.

(18) "Mayonnaise and salad dressing" includes, but is not limited to, tartar sauce, relish spreads, other mayonnaise spreads, and French dressing. Excluded are olive oil and meat spreads.

(19) "Meat canned" includes, but is not limited to, canned or glass chicken products, canned or glass turkey products, chicken and noodles, meat gravy, meat ravioli, pickled meats, luncheon meats, chili con carne, meat spreads and spaghetti and meat balls. Excluded are chicken-a-la-king, lamb tongue, pigs feet, scrapple, stews, tamales, tripe, veal loaf, mincemeat, liver spread, deviled tongue, lunch tongue, and any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts, frozen food products in which meat, chicken, and turkey are combined with other ingredients, frozen meat gravies and frozen meat stews and pies.

(20) "Milk, canned" means evaporated or condensed cow milk, including, but not limited to, filled evaporated milk products. Excluded are fresh milk, cream, powdered milks, and goat milk.

(21) "Oils, cooking and salad" means all vegetables, fruit leaf plant oils, cooking fats other than lard and shortening. Excluded are olive oil, prepared dressings, and spice oils.

(22) "Oleomargarine" means any product labeled "Oleomargarine."

(23) "Pickles and relishes" (packaged or bulk) includes, but is not limited to, chow chow, pickled fruits, pickled onions, pickled peppers, pickled relishes, pickled rind, and pickled vegetables. Excluded are mayonnaise relish spreads, tartar sauce.

(24) "Rice" packaged or bulk means all rice (including second heads) of the grades defined by the Department of Agriculture bulletin of Standards for Milled Rice (effective September 4, 1946). Excluded are rice flour, rice flakes, popped rice, wild rice, canned Spanish rice, and screenings and brewers' rice graded as Class XIII and Class XIV, respectively, by the above-mentioned bulletin.

(25) "Shortening, hydrogenated" means all fully hydrogenated shortenings.

(26) "Shortening, other" means shortenings other than fully hydrogenated shortening. Excluded are butter, lard, oleomargarine, and suet.

(27) "Soups, canned" includes all soups, broths and chowder. Excluded are meat stews, "baby" or "junior" soups, dehydrated soups, and frozen soups.

(28) "Soups, dehydrated" means dry mixtures sold for soup making, including, but not limited to, bouillon concentrates, and dry noodle soup mixtures. Excluded are other macaroni or noodle products, lentils, and dried peas.

(29) "Spices" includes, but is not limited to, bay leaves, caraway seed, dried peppers, dry chili, celery seed, celery salt, celery flakes, chili powder, garlic, garlic salt, dry mustard, onion salt, onion

flakes, poultry seasoning, poppy seed, seasoned salt, sesame seed, thyme, and cream of tartar. Excluded are table salt, spice oils, candied ginger, raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States, and wooden or other type trays designed as permanent kitchen furniture consisting of sets of assorted spices.

(30) "Syrups" means all malt, molasses, cane, maple, and corn syrups, and imitations or blends. Excluded are chocolate and ice cream sundae syrups, fruit syrups for making beverages, molasses sold for feed purposes, sorghum syrup and unmixed corn syrup.

(31) "Tea" includes all bulk or packaged tea, tea bags, and matte. Excluded are sales of tea in containers of the customary unit and weight in which they are imported into the United States.

(32) "Vegetables and vegetable juices, canned" includes, but is not limited to, blackeye, crowder, cream and field peas, baked beans, wax beans, sauerkraut, rhubarb, chili sauce, cocktail sauce, canned hominy, mushrooms, mushroom sauce, tomato catsup, tomato paste, tomato puree, pimentos, and Chinese-style foods, including soy sauce, and brown sauce. "Canned" means processed and packaged in any container, whether or not hermetically sealed. Excluded are vegetable soups, "baby" or "junior" foods, pickles, corn, green beans, peas (except canned blackeye, crowder, cream and field peas), tomatoes, tomato juice and frozen vegetables.

(33) "Corn, green beans, peas, tomatoes, and tomato juice (canned)." Excluded are frozen vegetables and canned blackeye, crowder, cream and field peas, and wax beans. "Canned" means processed and packaged in any container whether or not hermetically sealed.

(34) "Vegetables, dried and dehydrated" (packaged or bulk) includes, but is not limited to, dried beans, blackeye peas, dried mushrooms, dried peas, and lentils. Excluded are dry soup mixes, hominy, garlic, celery flakes, onion flakes, dried chili, and dried peppers.

(35) "Vinegar" (bottled or bulk), includes, but is not limited to, pure cider vinegar, distilled vinegar, malt vinegar, wine vinegar and tarragon vinegar.

(36) "Miscellaneous foods" shall include all other dry grocery items except those specifically excluded in paragraph (c) of this section. Among the items included under this heading are the following:

Anchovies (canned).
Anchovy paste (canned).
Baking powder.
Baking soda.
Barley (pearl).
Brown bread, and date and nut bread canned.
Brewers yeast in consumer size package not to exceed 2 pounds.
Caviar (canned).
Cherry juice (canned).
Chicken-a-la-king (canned).
Clams (canned).
Clam juice (canned).
Cocoanut, shredded, desiccated, or moist.
"Cookies, crackers, toast and crumbs" bought by you in bulk and sold loose.
Corn starch, edible or gloss packaged in containers of 10 pounds or less (excluded are powdered prepared laundry starching compounds).
Crab meat (canned).
Cranberry juice (canned).
Date products.
Deviled tongue (canned).
Eggnog (nonalcoholic) bottled.
Extracts.

Fish roe (canned).
Flavorings.
Food colorings.
French fried onions (canned).
Fruit pectins.

Fruit syrups for making beverages. (Excluded are fruit syrups used by rectifiers, blenders, restaurants and bars for mixing alcoholic mixed drinks).
Gift or holiday packages bought assembled, and containing one or more items covered by this regulation.

Glazed or candied fruits and peels.
Ice cream sundae syrups, including chocolate syrup packed in No. 10 tins or larger or 1-gallon containers or larger.
Kippered herring (canned).
Liver spread (canned).
Lobster (canned).
Lobster bisque (canned).
Loganberry juice (canned).
Lunch tongue (canned).
Macaroni salad (canned).
Meat flavorings.
Meat sauces, except catsup, cocktail sauce, and chili sauce.

Mincemeat.
Mustard, prepared.
Olives.
Olive oil, pure (packaged in containers of less than $\frac{1}{2}$ gallon).
Oysters (canned).
Oyster puree (canned).
Pie filling.
Pigs feet (canned).
Popcorn, not popped.
Potato salad (canned).
Potatoes, julienne (canned).
Potatoes, shoestring (canned).
Pudding, date.
Pudding, fig.
Pudding, plum.
Scrapple (canned).
Spanish rice (canned).
Stews (canned).

Table salt packaged in cartons, bags or packages containing 100 pounds or less. Kosher salt in cartons and salt packaged in containers of 10 pounds or less and labeled by the manufacturer as ice cream salt (excluded are onion, celery or garlic salt and meat-curing or smoked salt).
Spice oils.
Tamales (canned).
Tomato aspic (canned).
Tom and Jerry batter (bottled).
Tripe (canned).
Yeast.
Veal loaf (canned).

(c) *Commodities not included in this regulation.* Excluded from this regulation are:

Baked goods, fresh (except cookies, crackers, toast and crumbs).
Beer.
Bird seed and gravel.
Bread.
Butter (except peanut butter, fruit butters, and smooth or crunch type nut butters).
Buttermilk, fresh.
Candied ginger.
Candy.
Capers.
Cereals mixed or coated with a confection in the proportion of two-thirds or more confection to one-third cereal by weight.
Cheese, cheese spreads and cheese foods.
Comb honey.
Cornstarch, edible or gloss (packaged in containers of more than 10 pounds).
Corn syrup, unmixed.
Corn sugar.
Cream.
Dry baby cereals.
Eggs.
Feed, animal or poultry (other than pet food).
Fresh fruits and vegetables.
Frozen fish and seafood.
Frozen fruits, berries, fruit or berry juices and mixtures, in containers of a capacity of 50 pounds or more.
Fruit cake.
Fruit and vegetable powders for making beverages.
Goat milk (canned).

Green coffee in containers of the customary unit and weight in which they are imported into the United States.
 Ice cream cones.
 Ice cream, sherbets, and frozen confections.
 Laundry starching compounds, powdered prepared.
 Liquors.
 Malted milk and any preparation containing 35 per cent or more malted milk.
 Maple sugar.
 Meat and fish (except "fish, processed," and "meat, canned").
 Milk, fresh.
 Whole milk, powdered, and powdered skim milk packaged in tin in an inert gas.
 Mineral oil.
 Molasses sold for feeding purposes.
 Nuts.
 Olive oil, pure (packaged in containers of a capacity of 1 gallon or more).
 Passover matzo, Passover matzo meal, and related Passover matzo products.
 Pate de foie gras.
 Peanuts.
 Pet foods (except cat and dog foods or any frozen cat or dog foods).
 Pheasant pate.
 Popcorn, popped.
 Potato chips.
 Poultry other than canned or bottled.
 Powdered skim milk, bulk.
 Rattlesnake meat.
 Raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States.
 Rendered poultry fat.
 Salt not covered by section 35 (b) (36).
 Soft drinks.
 Sorghum syrup.
 Snails (canned).
 Spices in assorted sets contained in wooden or other type trays designed as permanent kitchen furniture.
 Sugar, cane or beet.
 Tamales, bulk.
 Tea in containers of the customary unit and weight in which they are imported into the United States.
 Tortillas.
 Truffles.
 Vitamin concentrates.
 Wheat germ.
 Wild rice and screenings and brewers' rice.
 Wine.

Effective date: This regulation shall become effective on the 5th day of April 1951.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget, in accordance with the Federal Reports Act of 1942.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

MARCH 28, 1951.

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 5:14 p. m.]

[Ceiling Price Regulation 15]

CPR 15—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 3 AND GROUP 4 STORES

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 15 is hereby issued.

STATEMENT OF CONSIDERATIONS

This statement of considerations covers CPR 14, CPR 15, and CPR 16.

The General Ceiling Price Regulation was issued essentially as a "stop gap" measure in order to bring under immediate control the prices of most goods

and services. It was the only technique that could be applied quickly and comprehensively. At the time of issuance it was recognized that the regulation was not well adapted to the long range control of prices in many parts of the economy. This is true in the wholesaling and retailing of food. Between the outbreak of the Korean war and the freeze period, some food distributors had placed in effect substantial price increases beyond those necessitated by the increased cost of food. Others had not so advanced their prices. Thus the freeze technique rewarded those who had increased their prices most. The distortions in the cost-price relationships and the chance abnormalities that existed in the base period were frozen into the price structure. Moreover, the freeze technique is particularly difficult to apply to new sellers who have no base period ceiling price. In an industry such as food distribution with thousands of sellers, there are bound to be large numbers of new sellers. The effort to fix ceiling prices for these new sellers creates serious problems of administration and fairness. Fixing ceiling prices for new items presents similar problems. Moreover, the effort to enforce ceiling prices based on a general freeze for more than 500,000 sellers presents an extremely difficult enforcement problem.

These regulations establish a different method of fixing ceiling prices for sales by wholesalers and retailers of most dry and some perishable grocery products by providing specific percentage markups for different food categories. They govern approximately 60 percent of food purchases made by consumers in retail stores. Though the grocery business customarily computes margins as a percentage of sales for practical purposes and easy calculation, the margins here are translated to a markup on cost. The markup technique employed provides a simple, enforceable, equitable and effective method of price control. It was the technique employed by the Office of Price Administration in issuing MPR's 421, 422, and 423 which regulated dry grocery prices during World War II. These regulations were the result of careful classification of wholesalers and retailers and a comprehensive survey of appropriate margins within each class of seller. Their validity was upheld by the Emergency Court of Appeals. During the period when they were effective, food costs were stabilized. At the same time earnings per dollars of sales of food distributors exceeded those experienced prior to 1942.

The contrast between the inadequacies of a "freeze" regulation such as the General Ceiling Price Regulation, in controlling prices for food distributors, and the success of the margin type regulation used by the OPA makes it imperative that distributors' ceiling prices of dry groceries be fixed on a markup basis at the earliest possible date. At the present time, the best markups available are those which were used by the OPA in issuing MPR's 421, 422, and 423, and which were in effect from 1943-46. In order to act now, the Director of Price Stabilization has generally employed these markups for most food categories for most distributors. The Office of Price Stabilization is now organizing a study of margin and earning figures for food distributors in order to obtain more recent comprehensive data. If the study

should indicate that the ceiling prices established under this regulation are either too low or too high, the regulation will be promptly revised to reflect the results of the survey.

Consultation with the wholesalers and retailers of dry groceries has indicated that wholesalers and the independent retailers generally believe that the OPA markups applicable to them will return adequate gross margins. The chain stores and supermarkets, however, have insisted that the OPA markups would be inadequate and have presented calculations to show that their application to pre-Korea operations would reduce by approximately three percent on sales the grocery department gross margins experienced at that time. They urge that their operations are conducted on a low net margin of profit to sales, and fear that these ceilings will mean loss operations. This position has been given very careful consideration by the Director of Price Stabilization. An examination of the data submitted by the chains and supermarkets indicates that there is a substantial basis for these figures. In most food categories the OPA markups conform generally with normal pricing practices. In some categories, however, it has been indicated that markups have changed substantially since the war. In issuing these regulations, therefore, the Director has made some adjustments in these food categories for these sellers. These adjustments will be carefully checked against the results of the survey.

On the whole the markups used for chains and supermarkets should increase by a little more than 1 percent the margin on sales yielded by the OPA markups. While the chains and supermarkets indicate that an adjustment of approximately 3 percent is required, their calculations overlook certain important considerations which indicate that these adjusted markups will provide generally fair and equitable prices. Since the markups are computed as a percentage of cost, any increase in food cost is reflected in higher dollar margins. All retailers consulted by the OPS conceded that food costs have gone up at least 10 percent and evidence available to the Director of Price Stabilization indicates that the increase may be more. Assuming the minimum increase in food costs, the percentage markup could be reduced and still return as many or more dollars as were earned in a pre-Korea period. If a food retailer prior to Korea had food costs of \$1,000,000, and sales of \$1,200,000, he would have a percentage markup of 20 percent and a dollar margin of \$200,000. Today, however, if he sold the same quantity of food the cost of food to him would have increased to at least \$1,100,000. A percentage markup of 18.3 percent would produce a dollar margin of \$201,300, or more than he earned prior to the increase in the cost of food. Thus, even if the markups in this regulation result in a lower percentage markup than that experienced in a pre-Korea period, the increase in the cost of food has been so substantial that these regulations should not prevent food distributors from realizing adequate overall dollar margins.

It is true, of course, that the overhead costs which are to be covered by the markups may have increased since Korea. However, food stores have also

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experienced a marked and rapid increase in physical volume. This means that fixed overhead costs can be spread over more units of merchandise and the cost per unit reduced. Moreover, in a period of accelerated inflation, food costs and food prices rise much faster than overhead expenses and in a seller's market, sales and promotion costs can be better controlled. These factors are reflected in higher net earnings. Percentage markups can be reduced and the distributor will still be able to cover dollar increases in these overhead expenses and realize net earnings comparable to those realized prior to the inflationary period.

The experience since Korea indicated the effect of all of these factors on earnings. In 1950 the sales of leading chain stores increased over 1949 by approximately six percent mainly during the last half of the year. However, dollar earnings for the same chains increased by 18 percent. Thus, dollar earnings increased substantially more percentage-wise than dollar sales. Apparently, therefore, overhead expenses have not risen as sharply as food costs and food prices and this has been reflected in the higher earnings. On the basis of these considerations, the Director of Price Stabilization finds that the markups set forth in these regulations will produce generally fair and equitable prices.

SPECIFIC PROVISIONS OF THE REGULATIONS

Ceiling Price Regulation No. 14 applies to sales by wholesalers of certain food products called "dry groceries," which are listed in Table A of the Regulation. Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and Ceiling Price Regulation No. 15 (Group 3 and 4 stores) apply to sales by retailers of the same list of dry groceries as are covered by the wholesale regulation and additional list in Table B called perishables. Sales of perishable items at wholesale will continue to be controlled by the General Ceiling Price Regulation. Likewise, since Table B, for the time being, includes only butter and packaged cheese, sales of other perishable items at retail will continue to be controlled by the General Ceiling Price Regulation.

For the most part the provisions of these regulations are similar to those used by OPA in MPR's 421, 422, and 423, which regulated dry grocery prices during World War II. In general the dry grocery commodity categories are the same except where a limited number of slow-moving high-margin items have been taken out of the category used by OPA and placed under "miscellaneous foods". Also "flour mixes" have been taken out of the "flour" category and included in the corn meal, hominy category. Such adjustments were recommended by representative members of the industry and it is believed by the Director of Price Stabilization that the facts available clearly justified the change in category.

(a) *Classification of Wholesalers and Retailers.* The classification of wholesalers in Ceiling Price Regulation No. 14 is the same as that used in MPR 421 by OPA. The classification of retailers in Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and in Ceiling Price Regulation No. 15 (Group 3 and 4 stores) is also the same as that used in MPR's 422 and 423 by OPA, except that the volume definitions have been changed.

Ceiling Price Regulations Nos. 15 and 16 provide as follows:

Group 1—Independent retail stores with annual sales volume of less than \$75,000 in 1950.

Group 2—Independent retail stores with annual sales volume between \$75,000 and \$375,000 in 1950.

Group 3—Retail stores (other than independent stores) with annual sales volume of less than \$375,000 in 1950.

Group 4—Retail stores (independent or otherwise) with annual sales volume of \$375,000 or more in 1950.

Under the OPA regulations \$50,000 annual sales volume was the dividing line between Group 1 and 2 stores, and \$250,000 annual sales volume was the dividing line between Group 2 stores (independent stores) and independent Group 4 stores. The same figure was used to determine whether a chain store was a Group 3 or Group 4 store. At the time price controls expired in 1946, the Group of a retail store was determined by its sales volume in 1945. There was no objection from the industry to these particular volume definitions. However, some adjustment in this volume classification is necessary now by reason of the increased price of food to reach results similar to those employed in 1946.

The Director of Price Stabilization has determined that the changes in the Bureau of Labor Statistics Consumers Food Price Index provides the best point of departure for this adjustment. For the year 1945, this Index stood at 139 percent and by 1950 it had risen to 204 percent. This is an increase of approximately 47 percent. Therefore, it has been concluded to use \$75,000 annual sales volume as the dividing line between Group 1 and 2 stores and \$375,000 as the dividing line between Group 2 and Group 4 independent stores. The latter figure is also used to separate the chain stores into Groups 3 and 4.

(b) *Method for figuring ceiling prices.* For wholesalers and retailers the pricing technique for the dry groceries (Tables A) is the same. They are required by section 3 of each regulation to apply the markup given in Table A to the most recent delivered cost before the effective date of the regulations. The resulting amount will be the ceiling price. However, section 3 (e) of each regulation provides that with respect to each item of the 1950 pack of food commodity Groups 8, 10, 11, 12, 13, 32, and 33 under Tables A both wholesalers and retailers may continue to use the legal ceiling price for each item under the General Ceiling Price Regulation if their last purchase of the particular item was made prior to January 26, 1951, until they receive delivery of a purchase made after that date. Of course, the ceiling price for any item that falls within food commodity Groups 8, 10, 11, 12, 13, 32, and 33 which is purchased after January 26, 1951, must be figured by applying the provisions of these regulations.

In the case of those sellers who purchased items of the 1950 pack several months ago, the application of the markups to costs of those purchases would result in ceiling prices that do not reflect current condition. Consequently, the volume purchaser's prices would be vastly different from those of the smaller purchaser, since the cost price for the items has increased considerably since the 1950 pack came in. Likewise, by

applying the markup provisions to the items of the 1950 pack purchased prior to January 26, 1951, a sharp increase in the prices of the items will naturally result when the new pack comes in. For these reasons, the exception with respect to each item of the 1950 pack of food commodity Groups 8, 10, 11, 12, 13, 32, and 33 is necessary in order to keep prices as stable as possible.

(c) *Effective date of the regulations.* The new ceiling prices established by applying the provisions of these regulations must be put into effect on all items not later than April 30, 1951. Between April 5, 1951, and April 30, 1951, the new ceiling price on any item may be put into effect as soon as it is figured. If the new ceiling price is not put into effect for an item prior to April 30, 1951, the existing ceiling price under General Ceiling Price Regulation for that item must remain in effect until April 30, 1951. In the event any item is delivered between April 5, 1951, and April 30, 1951, for which there is no ceiling price, the ceiling price must be figured according to the rules of these regulations.

(d) *Recalculation of ceiling prices.* These regulations permit a weekly recalculation of prices which was not permitted under the regulations of OPA. Before making a sale of an item of "dry groceries" on each Monday after April 30, 1951, the ceiling price for any item must be refigured if the net cost of the item is different from the net cost on which the existing ceiling price is based. Recalculation is necessary until such time as the processors' ceilings are stabilized by the Office of Price Stabilization. Because of the parity provisions of the Defense Production Act of 1950 this cannot be accomplished with respect to a substantial number of the food commodities controlled by these regulations at this time. At such time as the items at the processor level are stabilized the recalculation provisions of the regulations will be revoked. However, the perishable commodities in Tables B of the retail regulations will still be subject to recalculation. These commodities because of their seasonal and perishable characteristics are subject to sharp and unforeseeable price fluctuations.

(e) *Posting.* All retailers must at all times post their current selling price for each item of food covered by these regulations. Such displayed price must never exceed the ceiling price. All retailers must post the Group their store is in.

(f) *Packaging and assembling allowances.* It has been the practice of many wholesalers and retailers to purchase certain food commodities in bulk and then to package and resell them in cardboard containers, transparent, cotton or interlined coffee bags, or Kraft bags or similar type bags. The markups provided in the regulations do not include the entire factor necessary to cover the extra cost of packaging incurred by such bulk purchasers. Therefore, whenever such expense is incurred, certain set amounts may be included in figuring ceiling prices. The allowances are set forth in sections 18 of the retailer regulations and section 13 of the wholesale regulation. The figures contained therein are slightly higher than the packaging allowances previously granted under the OPA regulations in order to reflect the increased cost of such packaging material. This allowance does not ap-

ply to the packaging of items at the time of sale.

(g) *Retail delivery and assembly allowance.* The retail regulations establish an allowance for delivery by retail stores to customers' homes or places of business. In arriving at the markups for all retail stores a proper allowance for such delivery was not included since all retail sales are not delivered. With such a small amount of service included in the given markups, it was decided that an extra allowance was necessary to compensate those who incurred this expense. In addition, the Group 3 and 4 regulation establishes an allowance for assembly of orders taken by telephone. A similar provision was not included in the Group 1 and 2 regulation since assembly of orders by telephone is a normal practice in Group 1 and 2 stores and the markups applicable to those stores reflect an appropriate allowance for such service. This was not true in case of Group 3 and 4 stores and hence a special pricing provision is proper. A fee of 25 cents is allowed to all retail stores for deliveries of food orders to customers' homes or places of business, as a separate charge, where the total value of the delivery is \$3.00 or more, and an additional fee of 15 cents is allowed to Group 3 and 4 stores, who generally offer the service of taking telephone orders and assembling them, for assembly of orders taken by telephone.

(h) *Transportation allowances for delivery from warehouses to retail stores—* (1) *Wholesalers.* Many wholesalers deliver to stores a great distance away and in the past have taken care of this expense in various ways, which makes it impossible to determine any standard delivery for deliveries outside of a free zone. Therefore, wholesalers are permitted to use the same differentials as they have used in January 1951. These differentials must be included as part of the wholesalers' ceiling prices so that retailers will not have to allocate this cost among the various items purchased. Wholesalers who did not use a zone system during January 1951 but instead an average price are allowed to add certain percentages for deliveries over 125 miles. Likewise, the regulations contain specific provisions for additions by wholesalers making f. o. b. sales.

(2) *Retailers.* The markup provisions of these regulations reflect the cost of delivery from the retailers' warehouses to their stores located within a normal delivery zone. However, some retailers deliver much greater distances and in order to compensate for this expense, varying additions to net cost are allowed, depending on the distance beyond the normal delivery area.

(i) *Pyramiding of markups.* Special provisions are included in the regulations to prevent pyramiding of markups. Wholesalers buying from other wholesalers must use the "net cost" to the first wholesaler on such purchases where they have not previously established ceiling prices under the regulation as a basis for figuring their ceiling prices provided the "net cost" does not exceed the "net cost" had the purchases been made from the manufacturer or processor. Retailers are not allowed to use any purchase from another retailer to figure a ceiling price if it results in a "net cost" higher than the retailer would have if the purchase was made from a regular supplier or any other normally available source.

(j) *Other special pricing provisions.* In addition to the aforementioned provisions the Group 3 and 4 regulation contains certain special methods of figuring net cost for certain commodities purchased in a particular way. All of Article II—Special Pricing Provisions, in this regulation is not fully printed in the regulation for Group 1 and 2 stores but these provisions are applicable by cross references. Such provisions seldom apply to smaller stores and it was felt that simplification would be added if they were omitted from the Group 1 and 2 regulation and if these stores were referred to the Group 3 and 4 regulation where such provisions were applicable.

ADJUSTMENT PROVISIONS OF THE REGULATION

(a) *Classification adjustments.* Any rigid classification such as is necessary in a standard markup regulation will work hardship on certain distributors who by accident of definition fall into one classification whereas their horizontal operation and margin pattern is actually that of another classification. Therefore, in both wholesale and retail regulations, provision has been made whereby a distributor performing the same service as one in another class, having a margin as high as that of the other class, and having a price structure similar to that of the class, may be transferred to the other class. These provisions are contained in sections 26, 27 and 28 of the wholesale regulation and section 26 of the retail Group 3 and 4 regulation. These adjustment provisions are not intended for distributors who do not meet these criteria, and adjustments will not be granted unless it can be demonstrated that such reclassification is justified.

With regard to section 26 (a) (4) of the Group 3 and 4 regulation, under the OPA regulation the criteria for adjustment was based on the total gross margin being more than 25 percent on all sales in the food departments and also, if the store was not an independent store, more than 25 per cent on the combined sales of the food departments in all stores of the organization. The percentage figure of more than 25 percent contained in the OPA regulation has been reduced to 23 percent or more in this regulation because the available facts clearly indicated that there had been a lowering of the gross margins for this type of operation. The substantial difference existing between a 23 percent markup and the standard markup of Group 3 and 4 stores should assure that the stores, in fact, have been conducting a different type of operation and that reclassification is justified. In order to eliminate the need for examining the individual adjustment applications under this section immediately, the regulation provides that all those stores which qualified for such adjustment under the OPA regulation will automatically qualify under this regulation upon the filing of an adjustment application, provided they meet the test that their total gross margin in the fiscal year 1950 was 23 percent or more on all sales in their food department and also, if not independent stores, 23 percent or more on the combined sales of the food departments in all the stores, for which adjustment is sought, of their organization. These applications will be reviewed later and if an applicant is found not to have qualified with the spe-

cific provisions of this regulation, the adjustment will be revoked. For the same reasons, it has been determined with respect to similar provisions of the wholesale regulation to reduce the criteria for adjustment used under the OPA wholesale regulation from at least 20 percent to at least 18 percent.

(b) *Local shortage adjustments.* Price control may possibly result in some areas being deprived of a food supply. To avoid such a local shortage, which might occur if all the retailers in a remote area withdraw from business, an adjustment may be granted when the retailers furnish adequate proof that they are necessary to assure an adequate supply of food in a certain locality, and of the existence of necessary higher operating costs. It is also necessary for them to establish that any adjustment granted will not create a shortage or a need for increase in prices in another locality.

DOLLARS-AND-CENTS CEILING PRICES

The fixed markup technique is a sound and effective method of price control for food distributors. However, as food costs become stabilized it will be possible to translate margin calculations into specific dollars-and-cents ceiling prices. These dollars-and-cents ceilings provide an even simpler and more effective type of price control. When such dollars-and-cents prices are fixed, no item may be sold thereafter at higher prices and the orders issued to that end may provide that such prices take the place of the ceiling prices fixed under these regulations. If such orders do not provide that they replace the ceiling price under these regulations, then the ceiling price may be figured under these regulations.

CONCLUSION

In formulating these regulations the Director of Price Stabilization has consulted extensively with industry representatives and has given full consideration to their recommendations. In his judgment the provisions of these regulations are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

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- 39. Table of ceiling prices based on any given "net cost" and mark-up (Table C).

AUTHORITY: Sections 1 to 39 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong.; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

ARTICLE I—GENERAL PROVISIONS

SECTION 1. What this regulation does. This regulation fixes new ceiling prices for the "dry groceries" listed in Table A and the "perishables" listed in Table B for all retail stores, other than "independent" retail stores, doing an annual business of less than \$375,000 and for all retail stores, whether "independent" or not, doing an annual business of \$375,000 or more. These new ceiling prices are to be used instead of the ceiling prices figured under any other price regulation or order issued by the Office of Price Stabilization (hereinafter called OPS), and regardless of any contract or any other law. All other retail stores (Group 1 and Group 2 stores) selling these food products are covered by Ceiling Price Regulation No. 16.

SEC. 2. How you find out whether your store is covered by this regulation and what group it is in—(a) What stores are covered. Your store is covered by this regulation if it is a Group 3 or 4 store as defined below and if you are a retailer who buys and resells food products, generally without materially changing their form, for the most part to ultimate consumers who are not commercial, industrial or institutional users. For the pur-

poses of this regulation, "Great Lakes Marine Suppliers" shall be considered as retailers. The provisions of this regulation apply to "retail route sellers" only with respect to "frozen foods". However, this regulation does not apply to sales of "specially prepared dietetic foods" by "health food stores" or "health food departments", or to automatic vending machines or farmers selling produce grown on their own farms.

(b) What are Group 3 and 4 stores.

For the purpose of this regulation, Group 3 and 4 stores are defined as follows:

(1) **Group 3.** Your store is in Group 3 if its "annual gross sales" are less than \$375,000 and if it is not an "independent" store. Your store is an "independent" store if it is not one of 4 or more stores under one ownership whose combined "annual gross sales" are \$750,000 or more.

(2) **Group 4.** Your store is in Group 4 if its "annual gross sales" are \$375,000 or more.

(If you are not sure what group your store is in, use the directions in Section 29 for figuring its "annual gross sales." See section 35 for definitions of Group 1 and 2 stores.)

(c) **How to display a sign of the group your store is in.** At all times, you must have the group your store is in under this regulation displayed on a sign reading "OPS-3" or "OPS-4", whichever it is, or on a sign which the OPS may furnish to you. The sign must be displayed so that it can be clearly seen by your customers.

(d) **When you may choose to treat your store as a Group 4 store.** If your store is a Group 3 store, you may choose to treat it as a Group 4 store and display a sign in your store as a member of that group if you:

(1) Figure your ceiling prices for all the items listed in Tables A and B of this regulation as a Group 4 store; and

(2) Notify the OPS district office for your area of this fact.

(e) **When you must notify OPS of the Group in which your store falls.** Within 30 days after the issuance of this regulation, you must notify the OPS District office for your area, of the Group of each of your stores, using OPS Public Form No. 5 which you may obtain from the OPS District office for your area. If you open a new retail store after April 30, 1951 you must notify, within 15 days, the OPS District office for your area of the Group of the store, using OPS Public Form No. 5 which you may obtain from the OPS District office for your area.

Dry Groceries

SEC. 3. How and when you figure your ceiling prices for "dry groceries"—(a) General rule. Your ceiling price for each item (that is, for each kind, brand, grade, variety, container-type and container-size) of "dry groceries" listed in Table A shall be the total of (1) the "net cost" you had to pay for the most recent delivery of the item to you before April 30, 1951, plus (2) the mark-up given you for it in Table A.

(b) **When you must figure your ceiling prices.** By the opening of business on April 30, 1951, you must have figured your ceiling price for each item of "dry groceries" listed as Table A which you have in stock at that time. Between April 5, 1951 and April 30, 1951, you may put into effect the new ceiling price on any item as soon as you figure it; you

must put the new ceiling prices into effect on all items not later than April 30, 1951. If you do not put the new price for an item into effect before April 30, 1951, you must continue to use your existing ceiling for that item until April 30. If you receive delivery of any item between April 5, 1951 and April 30, 1951, for which you have no ceiling price, you must, before selling it, figure your ceiling price according to the rules of this regulation.

(c) **Special rule for certain items of the 1950 pack.** If, in the case of any item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32 and 33 in Table A, your last purchase of the particular item was made prior to January 26, 1951, you may continue to use your legal ceiling price for such item under the General Ceiling Price Regulation, until you receive delivery of a purchase made after that date. When you receive delivery of such a purchase, you must figure your ceiling price for the item in accordance with the provisions of this regulation.

SEC. 4. Directions for applying the rule for "dry groceries"—(a) "Net Cost". To figure your ceiling price, first find the "net cost" of the item based on its most recent delivery to you before April 30, 1951. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment and swell and label allowances, plus all transportation charges you paid except local trucking and local unloading. Treat as a separate item each kind, brand, grade, variety, container-size and container-type of "dry groceries".

(1) Your net cost must be figured on purchases of a customary quantity from a customary type of supplier delivered to your "usual receiving point" by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on a single unit basis (that is, per can, per pound, per package, per jar, etc.), to the nearest half-cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three quarters of a cent are rounded up to the next cent.) Your invoice cost may be the cost of a carton, case or barrel for instance, and not the cost of the package, can or other unit you sell. You must get the net cost of the single unit you sell by dividing the cost for the carton, case or barrel by the number of units in the carton, case or barrel.

(3) For items you "manufacture or otherwise process" use the special rules in section 23.

(b) **Mark-up.** Turn to Table A to find the mark-up for the item given your group of store. Table A lists all the "dry groceries" covered by this regulation by commodity groups.

(c) **Ceiling price.** Next turn to Table C. Using the directions given there, you will get your ceiling price for the item. You must not change this ceiling price except in accordance with Section 6.

(d) **Invoices.** You must write your "net cost" per unit of the purchase on which you have figured your ceiling price either on your invoice or other record of the price you paid for the item or on a separate slip of paper and attach to that invoice or other record. You must keep separate, or mark or tag plainly, all invoices or records showing the net cost per unit which you used in figuring your ceiling prices. These invoices and rec-

ords you used in figuring your ceiling prices are your means of proving that your ceiling prices are right.

SEC. 5. How you figure your ceiling prices for "new items" of "dry groceries." A "new item" of "dry groceries" is an item of "dry groceries" which you did not have in stock at the opening of business on April 30, 1951. You must figure the ceiling price for a new item before selling it, following the rules in section 4, but basing your "net cost" on the first delivery of the item to you on or after April 30, 1951.

In pricing new items it is a violation to use the net cost of a first purchase made in a non-customary manner (that is, from a non-customary supplier or in a non-customary quantity) when you know that you will be making future purchases in a customary manner. If your first purchase is of this type you must find out and use in figuring your ceiling price, what the net cost would be of a purchase from a type of supplier usually used for a similar item and of a quantity in which a similar item is usually purchased.

SEC. 6. How you figure your ceiling prices each week, starting Monday, April 30, 1951. Before making any sale of an item of "dry groceries" on each Monday after April 30, 1951 (or on Tuesday if Monday is a holiday and your store is closed) you must refigure your ceiling price for any item if your "net cost" of that item is different from the "net cost" on which your existing ceiling price is based. You must follow the rules in section 4 basing your "net cost," however, on the largest single delivery of a customary quantity received by you from your customary type of supplier during the seven days preceding Monday. If you cannot determine your "largest single delivery" because you have received more than one delivery of the same quantity, use the most recent of these deliveries.

Any group of stores under one ownership pricing from a central point may refigure ceiling prices for items so priced, based on the "net cost" of deliveries received during the seven days preceding the previous Friday. These prices must not be put into effect until the following Monday.

SEC. 7. Dry groceries which you import. This regulation shall not apply to you for sales of any dry grocery item purchased by you directly from a foreign seller or his agent for importation into the continental United States. Your ceiling price for such items shall be determined by you in accordance with the General Ceiling Price Regulation or any other applicable ceiling price regulation covering the sale of the item by importers.

Perishables

SEC. 8. How and when you figure your ceiling prices for "perishables"—(a) General rule. Your ceiling price for each item (that is, for each kind, brand, variety, and grade) of "perishables" listed in Table B shall be the total of (1) the "net cost" of the largest delivery of the item to you during the seven days preceding Monday of each week, plus (2) the mark-up given you for it in Table B.

(b) When you must figure your ceiling prices. By the opening of business on April 30, 1951, you must have figured your ceiling price for each item of "perishables" listed in Table B which you

have in stock at that time. These ceiling prices must be checked each week after April 30, 1951, and changed on Monday of each week for any item if your "net cost" of that item has changed in the preceding seven days. Never change your ceiling price on any day but Monday.

For items which you receive for the first time or which you have not had in stock for 7 days, you must figure and use a ceiling price at once using the net cost of that first delivery. On each Monday after that, you must treat the item as you would any other item of perishables covered under this regulation.

Stores under one ownership pricing from a central point may refigure ceiling prices for items so priced based on the net cost of deliveries received during the seven days preceding Friday of each week. These prices must not be put into effect until the following Monday.

SEC. 9. Directions for applying the rule for "perishables"—(a) Net cost. To figure your ceiling price, first find the "net cost" of the largest delivery to you of the item during the seven-day period before the Monday for which you are figuring your price. If you have received more than one delivery of the same largest quantity, use the most recent of these deliveries. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment, plus all transportation charges you paid, which may include costs for icing, refrigeration, and ventilation, but which may not include costs for local trucking and local unloading.

(1) Your net cost must be based on purchases from a customary type of supplier delivered to your usual receiving point by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on the basis of the "selling unit". (for example, 1 pound) listed in Table B for the commodity group which includes the item you are pricing. Always figure net cost to the nearest half cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.)

(3) If you have an item in stock at the opening of business on April 30, 1951, but you did not receive delivery of the item during the week before, you shall, in figuring your first ceiling price for the item on April 30, 1951, base your net cost on its most recent delivery to you.

(b) Mark-up. Turn to Table B to find the mark-up for the item given for your group of store. Table B lists all the "perishables" covered by this regulation by commodity groups.

(c) Ceiling price. (1) Next turn to Table C. Using the directions given there, you will get your ceiling price for the item.

(2) Sales in other quantities. You may sell an item in a quantity other than the "selling unit" given in Table B. If you sell an item in a quantity other than the "selling unit" given in Table B, you must reduce or increase your ceiling price proportionately. If figuring a price for a quantity different from the "selling unit" results in a fraction of a cent, you may charge the next higher cent.

SEC. 10. Price which you must display. At all times, you must have your

current selling price for each item of food covered by this regulation clearly shown on the item or at or near the place in your store where the item is offered for sale. Of course, this displayed price must never exceed your ceiling price.

SEC. 11. Indirect price increases prohibited. You must not evade any of the provisions of this regulation or any order issued pursuant to it by any scheme, or device. You must not, as a condition of selling any particular food, require a customer to buy anything else. Any such evasion is punishable as a violation of this regulation.

You may not use an unnecessarily high "net cost" in figuring a ceiling price under this regulation. If you make such a high cost purchase, you must find out what your net cost as used in section 4 or 9 would be and use that net cost to figure your ceiling price. You may never use the net cost of a purchase from another retailer to figure a ceiling price if it results in a net cost higher than you would have if you purchased the item from your regular supplier or any other source normally available to you.

SEC. 12. Sales slips and receipts. If you have customarily given a purchaser a sales slip, receipt or similar evidence of purchase, you must continue to do so. Furthermore, regardless of your custom, you must give any customer who asks for it a receipt showing the date, your name and address, and quantity and name of each food item sold, and the price you charged for it.

SEC. 13. Records. After April 5, 1951, you must keep for one year after you receive them all your invoices, freight bills, and other records showing the price you paid and the date you received delivery of each item covered by this regulation.

You are required to show all your invoices on request of any OPS representative and to furnish on request of any OPS representative a written record of your ceiling price in effect at any particular time or times for any or all of the items covered by this regulation. You must also keep available for inspection by an OPS representative the records you used in deciding what group your store is in.

Stores under one ownership pricing from a central point must also keep available at all times in each store a list showing the current selling price, as set at the central point, of each item so priced. These price lists must also be kept for one year in the warehouse from which the food items are delivered to the store or the office which covers the territory in which the warehouse is located. On request, such price lists must be shown to any OPS representative.

SEC. 14. Prohibitions. On and after April 30, 1951, if you sell or deliver or offer to sell or deliver at a price higher than your ceiling price fixed by this regulation or any order issued pursuant to it, or if you otherwise violate any provisions of this regulation or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950, as amended. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that act.

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SEC. 15. Notice of dollars-and-cents ceiling prices. From time to time the OPS may, by order, fix in your area or community, dollars-and-cents ceiling prices for some or all of the "dry groceries" or "perishables" under this regulation. When these dollars-and-cents prices are fixed, you may not thereafter sell at higher prices, and those orders may provide that such prices take the place of the ceiling prices which you have under this regulation. If such orders do not provide that they replace your prices under this regulation, you must continue to figure your prices under this regulation.

SEC. 16. Further provisions supplementing or explaining this regulation. From time to time, the Price Director may, by amendment, issue further provisions which will supplement the provisions of this regulation or explain the rights and duties of buyers and sellers under it. These further provisions will become part of this regulation and may be added as paragraphs to this section.

(a) Whenever an amendment adds any food product to the list of items covered in Table A, you must figure your ceiling price for that food product in accordance with sections 3, 4, and 5. However, in doing so, you shall substitute the effective date of such amendment for the date April 30, 1951, whenever it appears in sections 3, 4, and 5.

(b) Whenever an amendment changes either a commodity definition in Table A by transferring a food product from one commodity group to another or the mark-up for your group of retailers, you must, by the opening of business on the effective date of such amendment re-figure your ceiling prices for the items affected by such amendment. However, in doing so, you must use as your "net cost" the same "net cost" you used in figuring the ceiling prices you had on the effective date of the amendment.

(c) Unless otherwise specifically provided, if your "net cost" of any item covered by this regulation is based upon a delivery from a person owned or controlled by (or owning or controlling) you, who is not subject to this regulation, and the item is not "manufactured or otherwise processed" by such person or by you, your "net cost" may not exceed the "net cost" which would result if such person had been subject to this regulation, plus transportation (not including local trucking or local unloading) to your usual receiving point.

ARTICLE II—SPECIAL PRICING PROVISIONS

SEC. 17. Additions allowed for certain extra services rendered by you—(a) Addition allowed for delivery by you to your customers. If you deliver to your customers' homes or places of business any of the items covered by this regulation you may add to the total value of the delivery, as a separate charge, 25 cents for such delivery if the total value thereof is \$3.00 or more.

(b) *Addition allowed for accepting and filling telephone orders.* If you generally offer to all your customers the service of taking orders by telephone, and assembling orders as "will call" or for later delivery, you may add as a separate charge to the total value of any

order taken by telephone and assembled, a fee of 15 cents. A copy of all telephone orders to which you have added this additional fee must be retained by you for a period of one year.

SEC. 18. Additions for packaging. (a) If you buy in bulk any item covered by this regulation (except spices, tea and gelatin) and then package and sell it in cardboard containers, cotton bags, transparent bags, interlined coffee bags, or Kraft bags or similar type bags, on which the name, weight and ingredients of the commodity and your name are stamped or printed and which are packed and sealed at a place and time other than the point and time of sale, you may add to your "net cost" whichever of the following allowances applies:

(1) 2 cents for every such bag or container with a net weight of less than 2 pounds.

(2) 2½ cents for every such bag or container with a net weight of 2 pounds or more, but less than 5 pounds.

(3) 1 cent per pound for every such bag or container with a net weight of 5 pounds or more but not to exceed a total of 5 cents.

SEC. 19. Gift and holiday packages assembled by you. If you assemble, into gift or holiday packages, any food items covered by this regulation, with or without any items not covered by this regulation, you must figure your ceiling price for such package under whichever of the following paragraphs applies:

(a) For packages assembled in cardboard, wooden, or other plain containers (for example, "overseas" or "servicemen's" packages), your ceiling prices will be the sum of the following, multiplied by 1.05:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your direct cost of the packaging materials used for the particular package, including the container.

(b) For packages assembled in permanent containers designed and constructed for re-use (including but not limited to trays, cedar boxes, hampers, teakwood chests, fancy baskets), your ceiling price will be the sum of the following, multiplied by 1.15:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your ceiling price for the container figured under the applicable ceiling price regulation. If you have no ceiling price for the container, use your direct cost for the container.

(3) Your direct cost of the packaging materials used for the particular package.

SEC. 20. Special allowance for forwarding gift package to a donee in a foreign country. If you deliver a food package directly, upon order of the purchaser to a donee (other than a member of the armed forces of the United States)

in a foreign country outside of the North American continent, you may add to your ceiling price an amount not to exceed 50 cents for forwarding such package, plus the actual mailing and insurance charges.

This allowance may be applied only to the shipment and delivery of individual food gift packages and not of wholesale lots.

SEC. 21. How you figure your "net cost" in certain cases—(a) Frozen fruits, berries, and vegetables. If, after you have figured a ceiling price for an item of frozen fruits, berries, fruit or berry juices, vegetables or vegetable juices, you do not receive additional deliveries of such an item from a supplier but you have had such item in storage from which you supply your store, for a period of at least four weeks since you last figured your ceiling price for the item, you may on the fourth Monday after you last figured your ceiling price for the item, add to the "net cost" (before the rounding of fractions) on which your existing ceiling price is based, your actual costs, per unit, incident to storage for the period since you last figured your ceiling price.

(b) *Smoked fish which you process.* (1) If you buy smoked fish in the form of slabs (gutted, headed and halved) and sell it in slices, you shall multiply your "net cost" per pound for the item by 1.20. To get your ceiling price per pound for such slices, apply the mark-up for your group of retailer to the resulting figure.

(2) If, prior to offering for sale, you change the form of an item of smoked fish bought drawn (gutted) to dressed (headed, with fins off), and sell it whole, in chunks or in slices, you shall multiply your "net cost" per pound for the item by 1.10. To get your ceiling price per pound, apply the mark-up for your group of retailer to the resulting figure.

SEC. 22. Additions for delivery from your warehouse to your store. If your store is located at a distance of 125 miles or more from your warehouse which is your usual receiving point, you may, in determining your ceiling price for an item delivered from the warehouse to your store, use whichever of the following is applicable:

(1) If the store is located at a distance of from 125 through 199 miles from such warehouse, you may add 1 to your mark-up figure. (Example: If your mark-up figure on breakfast cereals in Table A is 16 percent, you change it to 17 percent.)

(2) If the store is located at a distance of from 200 through 299 miles from such warehouse, you may add 2 to your mark-up figure.

(3) If the store is located at a distance of from 300 through 399 miles from such warehouse, you may add 3 to your mark-up figure.

(4) If the store is located at a distance of 400 miles or more from such warehouse, you may add 4 to your mark-up figure.

SEC. 23. How you figure your ceiling prices for foods you "manufacture or otherwise process". If you "manufacture or otherwise process" and sell at retail any item covered by this regulation,

you will figure your "net cost" or ceiling price for such item under whichever of the following provisions applies:

(a) If the item is one for which the OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers, but the regulation makes no provision for manufacturers selling at retail the lowest ceiling price under that regulation for sales delivered to your usual receiving point shall be your "net cost."

(b) If the item is one for which the OPS has issued, or later issues, a regulation naming dollars-and-cents ceiling prices for sales by manufacturers and makes a provision for manufacturers selling at retail, you shall figure your ceiling price for such item as a manufacturer under that regulation. You will not attempt to figure a "net cost" and apply a mark-up under this regulation.

(c) If the item is one for which the OPS has not issued, or does not later issue, a regulation establishing dollars-and-cents ceiling prices for sales by manufacturers, you shall figure your ceiling price for such item as a manufacturer under the appropriate regulation covering the sales of such item by manufacturers. You will not attempt to figure a "net cost" and apply a mark-up under this regulation.

(d) If, after you have established a ceiling price for an item which you "manufacture or otherwise process", the manufacturer's regulation which you used in figuring your ceiling price under paragraph (a), (b), or (c) of this section is amended so that either (1) the manufacturer's regulation is no longer the type described in the applicable paragraph of this section or (2) the type of regulation is not changed but the prices set forth therein are changed; you must, within 5 days after the effective date of such amendment, refigure your ceiling price for the item under the applicable paragraph of this section based on the manufacturer's regulation as amended.

(e) For the purpose of this regulation you shall be considered a manufacturer of any item which you manufacture or otherwise process directly, or which is manufactured for you by a person to whom you supply the raw material.

SEC. 24. Special pricing provisions for manufacturers selling some commodities at retail. Any person, the larger part of whose business is the manufacturing or processing of foods, but

(a) His entire business in connection with a particular commodity consists of the purchase and resale of such commodity without materially changing its form, and

(b) The larger part of his sales of such commodity are made to ultimate consumers other than commercial, industrial or institutional users,

(c) Shall figure his ceiling prices for sales of such commodity to ultimate consumers other than commercial, industrial or institutional users in accordance with the provisions of this regulation, and shall, for such purposes, be considered a retailer covered by this regulation.

SEC. 25. Mail order sales. When you make mail order sales, you may add to your ceiling prices determined under this regulation your actual express or mailing expense to the buyer's address.

ARTICLE III—ADJUSTMENT PROVISIONS

SEC. 26. How you may, under certain conditions, apply to use Group 1 mark-ups. (a) If your store meets the gross margin requirements specified in this section and does business in the manner outlined below, you may apply under paragraph (b) of this section to use the mark-ups provided in Ceiling Price Regulation No. 16 for Group 1 stores:

(1) Most of your sales in your grocery department are made by sales clerks who assist customers in selecting, collecting, and wrapping merchandise;

(2) Your store generally offers to all its customers the services of taking orders by telephone, carrying monthly charge accounts, and providing delivery service;

(3) The general level of your prices for grocery products was during January 1951 at least as high as the level maintained by Group 1 stores, and was generally higher than that maintained by Group 3 and 4 stores, for such products in your community; and

(4) The total gross margin in your fiscal year 1950 was at least 23 percent on all sales in your food departments and also, if you are not an "independent" store, at least 23 percent on the combined sales of the food departments in all the stores for which you seek adjustment in your organization. Do not count a restaurant as a food department. If not in business during all of 1950 use your most recent fiscal period.

(b) Your application must be filed in duplicate with the OPS district office for your area on a form which you may get from that office. You may combine on one form the applications of more than one of your stores. If your application is finally approved, OPS will tell you when to begin using the Group 1 mark-ups, and from such time on you shall display a sign in your store designating it as a "Group 1" store, and it shall be considered a Group 1 store for the purpose of all "special pricing provisions" contained in Ceiling Price Regulation No. 16.

(c) If, however, under Maximum Price Regulation No. 422 issued in 1943 by the Office of Price Administration (1) you were either a Group 3 or Group 4 store on the basis of sales volume, and (2) you can establish that you were authorized by the Office of Price Administration to use Group 1 mark-ups, and (3) such authority was never revoked, and (4) you meet the gross margin requirements specified above, and (5) you certify that your method of doing business has not changed in any material respect since the time you were authorized to use Group 1 mark-ups, you may consider yourself a Group 1 store under Ceiling Price Regulation No. 16 as soon as you have filed your application in accordance with this section. This authority may be withdrawn if it is determined that your store does not qualify for adjustment under this section.

SEC. 27. How certain stores, where necessary to assure an adequate supply of food in a locality, may apply for mark-up adjustments. If your store is necessary to provide an adequate supply of food products in a locality; and by reason of remote location, long-term credit, short selling season, or other such unusual operating conditions, you find it

impossible to operate under the mark-ups fixed by this regulation, you may apply for an adjustment of such mark-ups by filing with the OPS district office for your area two copies of a signed statement giving for your store: (1) its name and address; (2) its group under this regulation; (3) its type (for example, cash-and-carry; service, delicatessen); (4) the approximate number of its food customers; (5) the total number of stores selling food in its community; (6) its distance from the nearest store selling food and the name and address of that store; and (7) the reasons why you are unable to operate under the mark-ups fixed by this regulation.

If you have more than one store you may file one application for all your stores which meet the conditions stated above. Your application must state separately for each store the specific information this section calls for.

SEC. 28. Applications for adjustment. Any Regional Office of the OPS, or such offices as may be authorized by order issued by the appropriate Regional Office, may act on all applications for adjustment under the provisions of this regulation. Applications for adjustment are governed by Price Procedural Regulation 1.

ARTICLE IV—MISCELLANEOUS PROVISIONS

SEC. 29. How you find the "annual gross sales" of your store. (a) To find your "annual gross sales," take your total sales for the calendar year 1950. Include all sales as shown on your books, except sales made by a restaurant operated in conjunction with your store. You can use your Federal Income Tax Return to get your gross sales for all or part of the calendar year 1950 which is covered by such return. If you own more than one store, figure the sales for each store separately, treating each as a separate retailer.

(b) If you were not in business during the entire year 1950 you must divide your total sales from the time you began operation up to April 30, 1951, by the number of weeks you were in business. This will give you your weekly average sales. Multiply this figure by 52, and the result is your "annual gross sales."

SEC. 30. How you determine your group in certain special cases—(a) Department stores. If you operate a department store, that is, a store in which the greater volume of sales is general merchandise and not foods, and you sell foods in a separate department or departments, you must determine your group by using only the "annual gross sales" of your food department or departments.

(b) Stores in which more than one retailer operates. (1) If you sell food in a retail store in which there are other food retailers, none of whom sells a complete line of the same general class of food, you must find your group by taking the combined "annual gross sales" of all the food retailers in that store. If the total "annual gross sales" of all the food retailers in that store is not readily available, you shall apply, in writing, within thirty days after the issuance of this regulation, to the OPS district office for your area for a determination of your group, stating your own "annual gross sales" figure for the applicable year.

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Each District Director is authorized to act on requests covering stores located within his district, and action taken shall be by order.

(2) If you sell foods in a retail store in which more than one retailer sells a complete line of the same general class of food, you will be considered as operating a separate retail store of your own, and you must determine your group by using only your own sales.

(c) *New stores.* If you open a retail store after April 30, 1951, you may consider yourself a Group 1 or Group 3 retailer, depending upon whether or not at that date your store is an "independent" store, and you must figure your ceiling prices accordingly. (If you are a Group 1 store, you must figure your ceiling prices under Ceiling Price Regulation No. 16.) However, after you have been in business for 3 months you must determine again what group your store is in. To do this, take your total sales for the 3-month period and multiply by 4. Use the result as your "annual gross sales" in determining the group in which your store belongs.

If you find that your store should now be in another group, you may continue to use the Group 1 or 3 markups until the second Monday following the end of the 3-month period, by which time you must have refigured all your ceiling prices using the markups for your new group. You shall use as your "net cost" the same "net cost" which you would have used in refiguring your ceiling prices on that Monday. If, under that section, you would not have been required to refigure your ceiling price for any item on that Monday, you shall use as your "net cost" for that item the same "net cost" on which your existing ceiling price at that time is based.

(d) *Discontinuance of stores.* (1) If you are not an "independent" store and you close one or more of your stores so that you now have less than 4 stores under one ownership, you may find your group for each of the remaining stores by determining the "annual gross sales" under section 29 (a), treating each store as an "independent" store.

(2) If you are not an "independent" store and you close one or more of your stores, but 4 or more stores continue under one ownership, you may refigure the combined "annual gross sales" under section 29 (a) for those remaining in operation. If the combined "annual gross sales" are not \$750,000 or more, you may then determine your group for each store, treating each as an "independent" store.

(3) If you find that any store is now in another group, you may refigure all of your ceiling prices for that store before the opening of business on any Monday. You must use as your "net cost" the same "net cost" which you would have used in refiguring under sections 4 and 9 your ceiling prices on that Monday of this regulation if a Group 4 store (or under sections 4 and 9 of Ceiling Price Regulation No. 16 if a Group 1 or Group 2 store). If, under that section, you

would not have been required to refigure your ceiling price for any item on that Monday, you must use as your "net cost" for that item the same "net cost" on which your existing ceiling price is based. Further, if any store is now in Group 1 or Group 2, it is subject to all other provisions of Ceiling Price Regulation No. 16.

SEC. 31. *Taxes.* You may collect, in addition to your ceiling price, any tax upon or incident to a sale at retail of food covered by this regulation if you state the tax separately, and if the statute or ordinance does not prohibit sellers from stating and collecting the tax separately from the price.

SEC. 32. *Transfer of business and stock in trade.* If, after April 30, 1951, you acquire in any way the business, assets, and stock in trade of any retail store covered by this regulation and you carry on the business, or continue to deal in the same type of food products in that same store, your ceiling prices shall be the same as those of the former owner as if no transfer had taken place. You must keep all the records needed to verify your ceiling prices. The former owner must either preserve and make available to you, or give you, all the records of his transactions before you acquired the store which you need to comply with the record provisions of this regulation.

If the transfer changes the business from one group of retail stores to another, your ceiling prices shall be those for the group of retailer to which you belong under this regulation.

SEC. 33. *Export sales.* The ceiling prices at which a person may export any product covered by this regulation shall be determined in accordance with the applicable price regulation covering export sales issued by the OPS.

SEC. 34. *Relation to other regulations.* The provisions of this Ceiling Price Regulation No. 15 except as otherwise provided in this regulation, shall, on and after April 30, 1951, supersede the provisions of the General Ceiling Price Regulation, and any other price regulation or order issued by the OPS with respect to sales and deliveries for which ceiling prices are established by this regulation.

SEC. 35. *Definitions*—(a) *"Retail route seller."* A "retail route seller" is a retailer who distributes food products to ultimate consumers who are not commercial, industrial or institutional users, either on a future delivery basis or otherwise, from an inventory stocked in trucks or other conveyances operated by driversalesmen over regular routes. A retailer, most of whose business is the personal solicitation of orders by salesmen calling at the homes or places of business of ultimate consumers, who are not commercial, industrial or institutional users, shall also be considered a retail route seller. A retailer is a "retail route seller" only of the food products he sells in this way.

(b) *Health food stores.* A "health food store" or "health food department" is

one whose sales to consumers consist principally of "specially prepared dietetic foods." For the purpose of this regulation a "health food department" is a separate and distinct department operated by separate and specially trained personnel and for which separate records and accounts are maintained. "Specially prepared dietetic foods" are foods manufactured and sold for restricted diets and for special dietetic purposes, including but not limited to specially prepared foods for diabetic or arthritic conditions, or high blood pressure; specially prepared weight building or tonic foods; and vitamin or mineral supplements.

(c) *Delivery.* Delivery to you of an item covered by this regulation shall be considered to have occurred when the item has been received by you at your usual receiving point.

(d) *Usual receiving point.* Your usual receiving point will be either your retail store or your warehouse from which you supply your retail stores, depending upon where you normally receive the particular item you are pricing under this regulation.

(e) *Item.* You must determine a separate ceiling price for each item; that is, for each kind, brand, size, variety, grade, container-type and container-size.

(f) *Manufacture or otherwise process.* "Manufacture or otherwise process" shall mean blending, freezing, canning, preserving, bottling, milling, crushing, straining, roasting, centrifuging, cooking, distilling, purifying with heat, printing of butter, and other similar operations, and packaging of spices, tea, and gelatin.

Packaging as used in section 18 shall not be considered manufacturing or processing under this regulation.

(g) *Group 1 retailer.* A retailer is in Group 1 if he is an "independent" retailer with an "annual gross sales" of less than \$75,000.

(h) *Group 2 retailer.* A retailer is in Group 2 if he is an "independent" retailer with an "annual gross sales" of \$75,000 or more, but less than \$375,000.

(i) *Great Lakes marine supplier.* A "Great Lakes marine supplier" means a person operating a selling establishment which buys and resells food products for the most part to "operators of a lake vessel or vessels," for consumption aboard such vessel or vessels, with delivery from shore locations by use of truck or launch facilities. "Operator of a lake vessel or vessels" means any person who owns or operates a lake vessel or vessels, other than passenger boats engaged in shipping upon the Great Lakes, and who in operating such vessels purchases or receives food products covered by this regulation from a Great Lakes marine supplier for consumption aboard such vessels.

SEC. 36. *Geographical applicability.* The provisions of this regulation shall apply to the 48 States of the United States and to the District of Columbia.

ARTICLE V—TABLES

SEC. 37. Table of mark-ups for "dry groceries" (Table A)—(a) Table A—Mark-ups over "net cost" allowed to Group 3 and Group 4 retailers for dry groceries covered by this regulation by commodities.

TABLE A

Mark-ups over "net cost" allowed to Group 3 and Group 4 retailers for dry groceries covered by this regulation by commodities

Food Commodities	Allowed mark-ups over net cost	
	Group 3—Retailer other than independent with annual volume under \$875,000	Group 4—Any retailer with annual volume of \$875,000 or more
1. Baby foods	18	16
2. Cereals, breakfast	18	16
3. Cocoa, chocolate and cereal drink preparations	22	21
4. Coffee	12	11
5. Cookies, crackers, toast, and crumbs	25	25
6. Corn meal, hominy and flour mixes	25	21
7. Dog and cat foods	24	24
8. Fish, processed	21	21
9. Flour	20	14
10. Frozen foods	27	27
11. Fruits, berries and fruit juices (canned) except fruit cocktail, pineapple, peaches and pears	25	25
12. Fruit cocktail, pineapple, peaches and pears (canned) except juices	23	21
13. Fruits, dried and dehydrated	25	25
14. Gelatin and pudding mixtures	23	18
15. Jams, jellies, preserves, honey and peanut butter	31	31
16. Lard, pure	17	15
17. Macaroni and spaghetti products	27	26
18. Mayonnaise and salad dressing	22	22
19. Meat, canned	19	18
20. Milk, canned	10	9
21. Oils, cooking and salad	24	16
22. Oleomargarine	14	14
23. Pickles and relishes	31	31
24. Rice	24	20
25. Shortening, hydrogenated	9	9
26. Shortening, other	17	13
27. Soups, canned	19	19
28. Soups, dehydrated	31	27
29. Spices	46	46
30. Syrups	24	21
31. Tea	25	25
32. Vegetables and vegetable juices (canned) except corn, green beans, peas, tomatoes and tomato juice	29	27
33. Corn, green beans, peas, tomatoes and tomato juice (canned)	23	21
34. Vegetables, dried and dehydrated	34	29
35. Vinegar	27	26
36. Miscellaneous foods	35	35

(b) *Commodity definitions.* These definitions apply to both domestic and imported items.

(1) Baby foods means "baby" or "junior" cereals, fruits, vegetables, meats, puddings, soups, and mixtures thereof packed in hermetically sealed containers. Excluded are dry baby cereals.

(2) "Cereals, breakfast" means bulk or packaged cereal items of any size commonly used as breakfast foods, both uncooked and ready-to-eat types including but not limited to, bran flakes, farina, popped rice, and rolled oats. Excluded are barley, corn meal, corn grits, hominy grits and flakes, rice, wheat bran flour, wheat germ and dry baby cereal. Also excluded are cereals mixed or

coated with a confection, in the proportion of two-thirds or more confection to one-third cereal by weight.

(3) "Cocoa, chocolate, and cereal-drink preparations" includes, but is not limited to, coffee substitutes or extenders, chicory, malted milk preparations containing less than 35 percent malted milk, chocolate syrup packed in consumer sizes, chocolate bits, and cooking chocolate and packaged powdered skim milk (spray process). Excluded are chocolate confections, bittersweet bars, milk chocolate, chocolate syrup packed in No. 10 tins or larger or one gallon containers or larger, powdered whole milks, powdered skim milk packaged in tin in inert gas, malted milk and any preparation containing 35 percent or more malted milk.

(4) "Coffee" means roasted coffee, whole or ground, decaffeinated coffee, coffee concentrates, and any mixtures of coffee with other products for beverage purposes. Excluded is frozen coffee concentrate.

(5) "Cookies, crackers, toast, and crumbs" includes, but is not limited to biscuits, Christmas cookies, fig crackers, graham crackers, pretzels, rye crackers, zwieback, melba toast, bread crumbs, cracker crumbs, cookies, matzo, matzo meal, and related matzo products. Excluded are bread, pies, cakes, doughnuts, coffee cakes, rolls, candies, Passover matzo, Passover matzo meal, related Passover products, and any bakery products which you manufacture. Also excluded are any items which are bought by you in bulk and sold loose.

(6) "Corn meal, hominy and flour mixes" means bulk or packaged corn meal, corn grits, hominy, hominy grits, hominy flakes, prepared hominy and bulk or packaged flour mixes milled from wheat, seminola, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, prepared pancake, biscuit, pie crust and gingerbread mix. Excluded is canned hominy which is in "Vegetables and vegetable juices, canned."

(7) "Dog and cat food" shall not include any item prepared by you for pet food, or any frozen dog or cat food.

(8) "Fish, processed" includes canned fish, canned seafood, and salted, pickled, smoked, dried or otherwise processed fish, such as fish cakes. Excluded are fresh or frozen fish, fresh or frozen seafood, frozen food products in which fish or seafood are combined with other ingredients, anchovies, anchovy paste, caviar, clams, crab meat, clam juice, kippered herring, lobster, lobster bisque, oysters, oyster puree and fish roe.

(9) "Flour" means bulk or packaged (in any size) flour milled from wheat, seminola, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, all-purpose family flour, cake flour, enriched flour, but excluding all flour mixes.

(10) "Frozen foods" means packaged quick-frozen or cold-packed foods sold from refrigerated cabinets or lockers, including, but not limited to all fruits, berries, fruit or berry juices, and mixtures (except any of the foregoing in containers of a capacity of more than 50 pounds), vegetables, vegetable juices, and mixtures, including mushrooms, dog and cat food not prepared by you for pet food, applesauce, macaroni and spaghetti products, chop suey, chow

mein, gravies, pork-and-beans, soups, food products in which meat, chicken, turkey, fish or seafood are combined with other ingredients, meat stews, and corned beef hash, frozen instant coffee, concentrated frozen fresh milk, and frozen meat pies. Excluded are frozen pies and pastries, frozen meat, poultry, fish and seafood, ice cream, sherbet, and frozen confections.

(11) "Fruits, berries and fruit juices, canned" includes, but is not limited to, apple sauce, apple cider, berry juices, concentrated fruit juices, citrus fruits and juices, cranberry jelly and sauce, fountain fruits, maraschino cherries, fruit nectars, bulk apple cider, fruits for salad, pineapple juice and non-carbonated liquid fruit beverages such as grapeade, lemonade, and orangeade. Excluded are apple butter, fruit butters, jams, jellies, fruit preserves, cocoanut, olives, baby foods, dried fruits, dehydrated fruits, fruit cocktail, pineapple (except pineapple juice), peaches, pears and frozen fruits.

(12) "Fruit cocktail, pineapple, peaches and pears (canned) except juices." Excluded are fruits for salad and frozen fruits. "Canned" means processed and packaged in any container, whether or not hermetically sealed.

(13) "Fruits dried and dehydrated" (packaged or bulk) includes, but is not limited to, stuffed dried fruits, dried dates and figs, pitted dates, and macerated dates. Excluded are fruit confections, candied or glazed fruits, and peels, fresh dates and date products.

(14) "Gelatin and pudding mixtures" includes, but is not limited to, gelatin, gelatin desserts, tapioca, arrowroot, consumer ice cream mixes, and rennet.

(15) "Jams, jellies, preserves, honey, and peanut butter" includes, but is not limited to, tomato preserves, marmalade, fruit preserves, fruit butters, smooth or crunch-type nut butters, honey butter and all extracted honey (including combinations of extracted and comb honey) packaged in containers of a capacity of 15 pounds or less. Excluded are cranberry jelly or sauce.

(16) "Lard, pure" (packaged or bulk) includes, but is not limited to, rendered pork fat. Excluded are lard compounds which are classed as "Shortenings, other".

(17) "Macaroni and spaghetti products" includes, but is not limited to, bows, egg alphabets, macaroni, spaghetti, vermicelli, "sea shells", noodles, macaroni dinners, spaghetti dinners, canned macaroni and canned spaghetti. Excluded are meat ravioli, tamales, dry noodle soup mixtures, spaghetti-and-meat balls, chicken-and-noodles, Chinese-style noodles, and frozen macaroni and spaghetti products.

(18) "Mayonnaise and salad dressing" includes, but is not limited to, tartar sauce, relish spreads, other mayonnaise spreads, and French dressing. Excluded are olive oil and meat spreads.

(19) "Meat canned" includes, but is not limited to, canned or glass chicken products, canned or glass turkey products, chicken and noodles, meat gravy, meat ravioli, pickled meats, luncheon meats, chili con carne, meat spreads and spaghetti and meat balls. Excluded are chicken-a-la-king, lamb tongue, pigs feet, scrapple, stews, tamales, tripe, veal loaf, mincemeat, liver spread, deviled

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tongue, lunch tongue, and any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts, frozen food products in which meat, chicken, and turkey, are combined with other ingredients, frozen meat gravies and frozen meat stews and pies.

(20) "Milk, canned" means evaporated or condensed cow milk, including, but not limited to, filled evaporated milk products. Excluded are fresh milk, cream, powdered milks, and goat milk.

(21) "Oils, cooking and salad" means all vegetable, fruit leaf plant oils, cooking fats other than lard and shortening. Excluded are olive oil, prepared dressings and spice oils.

(22) "Oleomargarine" means any product labeled "Oleomargarine."

(23) "Pickles and relishes" (packaged) includes, but is not limited to chow chow, pickled fruits, pickled onions, pickled peppers, pickled relishes, pickled rind and pickled vegetables. Excluded are mayonnaise, relish spreads, tartar sauce and bulk pickles.

(24) "Rice" packaged or bulk, means all rice (including second heads) of the grades defined by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946). Excluded are rice flour, rice flakes, popped rice, wild rice, canned Spanish rice, and screenings and brewers' rice graded as Class XIII and Class XIV, respectively, by the above mentioned bulletin.

(25) "Shortening, hydrogenated" means all fully hydrogenated shortenings.

(26) "Shortening, other" means shortenings other than fully hydrogenated shortening. Excluded are butter, lard, oleomargarine and suet.

(27) "Soups, canned" includes all soups, broths and chowder. Excluded are meat stews, "baby" or "junior" soups, dehydrated soups, and frozen soups.

(28) "Soups, dehydrated" means dry mixtures sold for soup-making, including, but not limited to, bouillon concentrates, and dry noodle soup mixtures. Excluded are other macaroni or noodle products, lentils and dried peas.

(29) "Spices" includes, but is not limited to, bay leaves, caraway seed, dried peppers, dry chili, celery seed, celery salt, celery flakes, chili powder, garlic, garlic salt, dry mustard, onion salt, onion flakes, poultry seasoning, poppy seed, seasoned salt, sesame seed, thyme, and cream of tartar. Excluded are table salt, spice oils, candied ginger, raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States, and wooden or other type trays designed as permanent kitchen furniture consisting of sets of assorted spices.

(30) "Syrups" means all malt, molasses, cane, maple, and corn syrups, and imitations or blends. Excluded are chocolate and ice cream sundae syrups, fruit syrups for making beverages, molasses sold for feed purposes, sorghum syrup and unmixed corn syrup.

(31) "Tea" includes all bulk or packaged tea, tea bags, and matte. Excluded are sales of tea in containers of the customary unit and weight in which they are imported into the United States.

(32) "Vegetables and vegetable juices, canned" includes, but is not limited to,

blackeye, crowder, cream and field peas, baked beans, wax beans, sauerkraut, rhubarb, chili sauce, cocktail sauce, canned hominy, mushrooms, mushroom sauce, tomato catsup, tomato paste, tomato puree, pimentos, and Chinese-style foods, including soy sauce and brown sauce. "Canned" means processed and packaged in any container, whether or not hermetically sealed. Excluded are vegetable soups, "baby" or "junior" foods, pickles, corn, green beans, peas (except canned black-eye, crowder, cream and field peas), tomatoes, tomato juice and frozen vegetables.

(33) "Corn, green beans, peas, tomatoes, and tomato juice (canned)." Excluded are frozen vegetables and canned blackeye, crowder, cream and field peas, and wax beans. "Canned" means processed and packaged in any container whether or not hermetically sealed.

(34) "Vegetables, dried and dehydrated" (packaged or bulk) includes, but is not limited to, dried beans, blackeye peas, dried mushrooms, dried peas, and lentils. Excluded are dry soup mixes, hominy, garlic, celery flakes, onion flakes, dried chili, and dried peppers.

(35) "Vinegar" (bottled or bulk), includes, but is not limited to, pure cider vinegar, distilled vinegar, malt vinegar, wine vinegar and tarragon vinegar.

(36) "Miscellaneous foods" shall include all other dry grocery items except those specifically excluded in paragraph (c) of this section. Among the items included under this heading are the following:

Anchovies (canned).
 Anchovy paste (canned).
 Baking powder.
 Baking soda.
 Barley (pearl).
 Brown bread and date and nut bread (canned).
 Brewers yeast in consumer size package not to exceed 2 lbs.
 Caviar (canned).
 Cherry juice (canned).
 Chicken-a-la-king (canned).
 Clams (canned).
 Clam juice (canned).
 Cocoanut, shredded, desiccated, or moist.
 "Cookies, crackers, toast and crumbs" bought by you in bulk and sold loose.
 Corn starch, edible or gloss packaged in containers of ten pounds or less (excluded are powdered prepared laundry starching compounds).
 Crab meat (canned).
 Cranberry juice (canned).
 Date products.
 Deviled tongue (canned).
 Egg nog (non-alcoholic), bottled.
 Extracts.
 Fish roe (canned).
 Flavorings.
 Food colorings.
 French fried onions (canned).
 Fruit pectins.
 Fruit syrups for making beverages (excluded are fruit syrups used by rectifiers, blenders, restaurants and bars for mixing alcoholic mixed drinks).
 Gift or holiday packages bought assembled, and containing one or more items covered by this regulation.
 Glazed or candied fruits and peels.
 Ice cream sundae syrups, including chocolate syrup packed in No. 10 tins or larger or one-gallon containers or larger.
 Kippered herring (canned).
 Liver spread (canned).
 Lobster (canned).
 Lobster bisque (canned).
 Loganberry juice (canned).
 Lunch tongue (canned).
 Macaroni salad (canned).
 Meat flavorings.
 Meat sauces, except catsup, cocktail sauce, and chili sauce.
 Mincemeat.
 Mustard, prepared.
 Olives.
 Olive oil, pure (packaged in containers of less than $\frac{1}{2}$ gallon).
 Oysters (canned).
 Oyster puree (canned).
 Pickles, bulk.
 Pie filling.
 Pigs feet (canned).
 Popcorn, not popped.
 Potato salad (canned).
 Potatoes, julienne (canned).
 Potatoes, shoestring (canned).
 Pudding, date.
 Pudding, fig.
 Pudding, plum.
 Scrapple (canned).
 Spanish rice, (canned).
 Stews, (canned).
 Table salt packaged in cartons, bags or packets containing 100 pounds or less, Kosher salt in cartons and salt packaged in containers of 10 pounds or less and labeled by the manufacturer as ice cream salt (excluded are onion, celery or garlic salt and meat-curing or smoked salt).
 Spice oils.
 Tamales (canned).
 Tomato aspic (canned).
 Tom and Jerry batter, bottled.
 Tripe (canned).
 Yeast.
 Veal loaf (canned).

(c) *Commodities not included in this regulation. Excluded from this regulation are:*

 Baked beans, prepared by the retailer.
 Baked goods, fresh (except cookies, crackers, toast and crumbs).
 Beer.
 Bird seed and gravel.
 Bread.
 Buttermilk, fresh.
 Candied ginger.
 Candy.
 Capers.
 Cereals mixed or coated with a confection in the proportion of $\frac{2}{3}$ or more confection to $\frac{1}{3}$ cereal by weight.
 Cheese, bulk, all types.
 Comb honey.
 Corn starch, edible or gloss (packaged in containers of more than 10 pounds).
 Corn syrup, unmixed.
 Corn sugar.
 Cream.
 Dry baby cereals.
 Eggs.
 Feed, animal or poultry (other than pet food).
 Fresh fruits and vegetables.
 Goat milk, canned.
 Green coffee in containers of the customary unit and weight in which they are imported into the United States.
 Frozen fish and seafood.
 Frozen fruits, berries, fruit or berry juices and mixtures in containers of a capacity of more than 50 pounds.
 Fruit cake.
 Fruit and vegetable powder: for making beverages.
 Ice cream cones.
 Ice cream, sherbets, and frozen confections.
 Laundry starching compounds, powdered prepared.
 Liquors.
 Malted milk and any preparation containing 35 percent or more malted milk.
 Maple sugar.
 Meat and fish (except "Fish, processed," and "Meat, canned").
 Milk, fresh.
 Whole milk, powdered, and powdered skim milk packaged in tin in an inert gas.
 Mineral oil.
 Molasses sold for feeding purposes.
 Nuts.

Olive oil, pure (packaged in containers of a capacity of one gallon or more).
 Passover matzo, Passover matzo meal, and related Passover matzo products.
 Pate de foie gras, (canned).
 Peanuts.
 Pet foods (except cat and dog foods or any frozen cat or dog foods).
 Pheasant pate, (canned).
 Popcorn, popped.
 Potato chips.
 Poultry, other than canned or bottled.
 Powdered skim milk, bulk.
 Rattlesnake meat (canned).
 Raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States.
 Salads and relishes prepared by the retailer.
 Salt not covered by section 37 (b) (36).
 Soft drinks.
 Sorghum syrup.
 Snails (canned).
 Spices in assorted sets contained in wooden or other type trays designed as permanent kitchen furniture.
 Sugar, cane or beet.
 Tamales, bulk.
 Tea in containers of the customary unit and weight in which they are imported into the United States.
 Tortillas.
 Truffles.
 Vitamin concentrates.
 Wheat germ.
 Wild rice and screenings and brewers' rice.
 Wine.

SEC. 38. Table of mark-ups for "perishables" (Table B)—(a) Table B: Mark-ups over "net cost" allowed to Group 3 and Group 4 retailers for "perishables" covered by this regulation by commodities.

TABLE B
 [Mark-ups over "net cost" allowed to Group 3 and Group 4 retailers for perishables covered by this regulation by commodities]

	Allowed mark-ups over net cost		Selling unit in which ceiling price must be calculated
	Group 3	Group 4	
Retailer other than independent with annual volume of \$375,000 or more			
Any retailer with annual volume under \$375,000			
<i>Food commodities</i>			
(1) Dairy products:	Percent	Percent	
Butter-----	10	10	1 pound.
Cheese-----	24	22	1 package.

(b) Commodity definitions. These definitions apply to both domestic and imported items.

(1) **Dairy products.** "Butter" (packaged or bulk) means only butter from milk, including but not limited to, processed, salted, unsalted, and whipped butter. Excluded are peanut, nut, fruit or honey butters.

"Cheese" shall include all packaged cheese, cheese spreads, and cheese foods purchased packaged. Excluded are all types of bulk cheeses.

SEC. 39. Table of ceiling prices based on any given "net cost" and mark-up (Table C)—(a) Table C: Retail ceiling prices obtained by applying any given percentage mark-up to any given net cost.

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST
 ITEMS WITH A "NET COST" OF FROM $1\frac{1}{2}$ ¢ TO 10¢ PER UNIT

Net cost (per unit)	1 $\frac{1}{2}$ ¢	1¢	1 $\frac{1}{2}$ ¢	2¢	2 $\frac{1}{2}$ ¢	3¢	3 $\frac{1}{2}$ ¢	4¢	4 $\frac{1}{2}$ ¢	5¢	5 $\frac{1}{2}$ ¢	6¢	6 $\frac{1}{2}$ ¢	7¢	7 $\frac{1}{2}$ ¢	8¢	8 $\frac{1}{2}$ ¢	9¢	9 $\frac{1}{2}$ ¢	10¢
Mark-up (percent)	Cents	Cents																		
6-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
7-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
8-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
9-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
10-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
11-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
12-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
13-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
14-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
15-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11
16-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	10	11	12
17-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
18-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
19-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	11	12
20-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	12
21-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	12
22-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	12
23-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	12
24-----	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	11	12
25-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
26-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
27-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
28-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
29-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
30-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
31-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
32-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
33-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
34-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
35-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
36-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
37-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
38-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
39-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
40-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
41-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
42-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
43-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
44-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
45-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
46-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
47-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
48-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
49-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13
50-----	1	2	2	3	3	4	4	5	5	6	6	7	8	8	9	9	10	11	12	13

RULES AND REGULATIONS

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM $10\frac{1}{2}\%$ TO $18\frac{1}{2}\%$ PER UNIT

Net cost (per unit)	$10\frac{1}{2}\%$	$11\frac{1}{2}\%$	$11\frac{1}{2}\%$	$12\frac{1}{2}\%$	$12\frac{1}{2}\%$	$13\frac{1}{2}\%$	$13\frac{1}{2}\%$	$14\frac{1}{2}\%$	$14\frac{1}{2}\%$	$15\frac{1}{2}\%$	$15\frac{1}{2}\%$	$16\frac{1}{2}\%$	$16\frac{1}{2}\%$	$17\frac{1}{2}\%$	$17\frac{1}{2}\%$	$18\frac{1}{2}\%$
Mark-up (percent):	Cents															
6	11	12	12	13	13	14	14	15	15	16	16	17	17	18	19	19
7	11	12	12	13	13	14	14	15	15	16	16	17	18	18	19	19
8	11	12	12	13	13	14	14	15	15	16	16	17	18	18	19	19
9	11	12	12	13	13	14	14	15	15	16	16	17	18	19	19	20
10	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
11	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
12	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
13	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
14	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
15	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
16	12	12	12	13	13	14	14	15	15	16	17	17	18	19	19	20
17	12	12	12	13	13	14	14	15	15	16	17	18	18	19	20	21
18	12	12	12	13	13	14	14	15	15	16	17	18	18	19	20	21
19	12	12	12	13	13	14	14	15	15	16	17	18	18	19	20	21
20	13	13	13	14	14	15	15	16	17	17	18	18	19	20	20	21
21	13	13	13	14	14	15	15	16	17	17	18	18	19	20	21	22
22	13	13	13	14	14	15	15	16	17	17	18	18	19	20	21	22
23	13	13	13	14	14	15	15	16	17	17	18	18	19	20	21	22
24	13	13	13	14	14	15	15	16	17	17	18	18	19	20	21	22
25	13	13	13	14	14	15	15	16	17	18	18	19	19	20	21	22
26	13	13	13	14	14	15	15	16	17	18	18	19	20	21	21	23
27	13	13	13	14	14	15	15	16	17	18	18	19	20	20	21	23
28	13	13	13	14	14	15	15	16	17	18	19	19	20	20	21	23
29	14	14	14	15	15	16	16	17	17	18	19	19	20	21	22	23
30	14	14	14	15	15	16	16	17	18	18	19	20	20	21	22	23
31	14	14	14	15	15	16	16	17	18	18	19	20	20	21	22	23
32	14	14	14	15	15	16	16	17	18	18	19	20	20	21	22	23
33	14	14	14	15	15	16	16	17	17	18	19	20	21	21	22	23
34	14	14	14	15	15	16	16	17	17	18	19	20	21	21	22	24
35	14	14	14	15	15	16	16	17	17	18	18	19	20	20	21	23
36	14	14	14	15	15	16	16	17	18	18	19	20	20	21	22	23
37	14	14	14	15	15	16	16	17	18	18	19	20	20	21	22	24
38	14	14	14	15	15	16	16	17	18	18	19	20	21	21	22	25
39	15	15	15	16	16	17	17	18	19	19	20	20	21	21	22	24
40	15	15	15	16	16	17	18	18	19	20	20	20	21	22	23	25
41	15	15	15	16	16	17	18	18	19	20	20	21	21	22	23	25
42	15	15	15	16	16	17	18	18	19	20	21	21	22	23	24	26
43	15	15	15	16	16	17	18	19	19	20	21	21	22	23	24	26
44	15	15	15	16	16	17	18	19	19	20	21	22	22	23	24	26
45	15	15	15	16	16	17	18	19	19	20	21	22	22	23	24	26
46	15	15	15	16	16	17	18	19	19	20	21	22	22	23	24	26
47	15	15	15	16	16	17	18	19	19	20	21	21	22	23	24	26
48	16	16	16	17	17	18	19	19	20	21	21	22	22	23	24	26
49	16	16	16	17	17	18	19	19	20	21	22	22	23	24	25	27
50	16	16	16	17	17	18	19	20	20	21	22	23	23	24	25	26

ITEMS WITH A "NET COST" OF FROM $18\frac{1}{2}\%$ TO $20\frac{1}{2}\%$ PER UNIT

Net cost (per unit)	$18\frac{1}{2}\%$	$19\frac{1}{2}\%$	$19\frac{1}{2}\%$	$20\frac{1}{2}\%$	$20\frac{1}{2}\%$	$21\frac{1}{2}\%$	$21\frac{1}{2}\%$	$22\frac{1}{2}\%$	$22\frac{1}{2}\%$	$23\frac{1}{2}\%$	$23\frac{1}{2}\%$	$24\frac{1}{2}\%$	$24\frac{1}{2}\%$	$25\frac{1}{2}\%$	$25\frac{1}{2}\%$	$26\frac{1}{2}\%$
Mark-up (percent):	Cents															
6	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	23
7	20	20	21	21	22	22	23	24	24	25	25	26	26	27	27	28
8	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
9	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
10	20	21	21	22	22	23	23	24	24	25	25	26	26	27	28	29
11	21	21	22	22	23	23	24	24	25	26	26	27	27	28	28	29
12	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29
13	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29
14	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29	30
15	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29	30
16	21	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30
17	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30
18	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30
19	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30
20	22	23	23	24	25	25	26	26	27	27	28	28	29	29	30	31
21	22	23	24	24	25	25	26	26	27	27	28	28	29	30	30	31
22	23	23	24	24	25	25	26	26	27	27	28	28	29	30	30	32
23	23	23	24	24	25	25	26	26	27	27	28	28	29	30	30	32
24	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	32
25	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	32
26	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	32
27	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	33
28	24	24	25	26	26	27	27	28	28	29	29	30	30	31	32	33
29	24	25	25	26	26	27	27	28	28	29	29	30	30	31	32	34
30	24	25	25	26	26	27	27	28	28	29	29	30	30	31	32	34
31	24	25	25	26	26	27	27	28	28	29	29	30	30	31	32	34
32	24	25	25	26	26	27	27	28	28	29	29	30</td				

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued
ITEMS WITH A "NET COST" OF FROM 26½¢ TO 34¢ PER UNIT

Net cost (per unit)-----	26½¢	27¢	27½¢	28¢	28½¢	29¢	29½¢	30¢	30½¢	31¢	31½¢	32¢	32½¢	33¢	33½¢	34¢
Mark-up (percent):	Cents															
6-----	28	29	29	30	30	31	31	32	32	33	33	34	34	35	36	36
7-----	28	29	29	30	30	31	31	32	32	33	33	34	34	35	36	36
8-----	29	29	30	30	31	31	32	32	32	33	33	34	35	35	36	36
9-----	29	29	30	31	31	32	32	33	33	34	34	35	35	36	37	37
10-----	29	30	30	31	31	32	32	33	33	34	34	35	35	36	37	37
11-----	29	30	31	31	32	32	33	33	34	34	35	35	36	36	37	37
12-----	30	30	31	31	32	32	33	33	34	34	35	35	36	36	37	38
13-----	30	31	31	32	32	33	33	34	34	35	35	36	36	37	37	38
14-----	30	31	31	32	32	33	33	34	34	35	35	36	36	37	37	38
15-----	30	31	32	32	33	33	34	34	35	35	36	36	37	37	38	39
16-----	31	31	32	32	33	33	34	34	35	35	36	36	37	37	38	39
17-----	31	32	32	33	33	34	34	35	35	36	36	37	37	38	39	39
18-----	31	32	32	33	33	34	34	35	35	36	37	37	38	39	40	40
19-----	32	32	33	33	34	35	35	36	36	37	37	38	39	40	40	40
20-----	32	32	33	34	34	35	35	36	36	37	37	38	39	40	40	40
21-----	32	33	33	34	34	35	35	36	36	37	37	38	39	40	40	41
22-----	32	33	34	34	35	35	36	36	37	37	38	38	39	40	40	41
23-----	33	33	34	34	35	35	36	36	37	37	38	38	39	40	40	41
24-----	33	33	34	34	35	35	36	36	37	37	38	38	39	40	41	42
25-----	33	34	34	35	35	36	36	37	37	38	38	39	40	41	42	42
26-----	33	34	35	35	36	37	37	38	38	39	39	40	41	42	42	43
27-----	34	34	35	36	36	37	37	38	38	39	39	40	41	42	42	43
28-----	34	35	35	36	36	37	37	38	38	39	39	40	41	42	43	43
29-----	34	35	35	36	36	37	37	38	38	39	39	40	41	42	43	44
30-----	34	35	36	36	37	37	38	38	39	39	40	41	42	43	43	44
31-----	35	35	36	37	37	38	38	39	39	40	40	41	42	43	43	44
32-----	35	36	36	37	37	38	38	39	39	40	40	41	42	43	43	45
33-----	35	36	37	37	38	38	39	39	40	41	41	42	43	43	44	45
34-----	36	36	37	38	38	39	39	40	40	41	41	42	43	44	44	46
35-----	36	36	37	38	38	39	39	40	40	41	41	42	43	44	45	46
36-----	36	37	37	38	39	39	40	40	41	41	42	43	44	45	45	46
37-----	36	37	38	38	39	39	40	40	41	41	42	43	44	45	45	46
38-----	37	37	38	39	39	40	40	41	41	42	42	43	44	45	45	47
39-----	37	38	38	39	39	40	40	41	41	42	42	43	44	45	46	47
40-----	37	38	39	39	39	40	40	41	41	42	42	43	44	45	46	47
41-----	37	38	39	39	40	40	41	41	42	42	43	43	44	45	46	48
42-----	38	38	39	39	40	40	41	41	42	42	43	43	44	45	46	48
43-----	38	39	39	40	40	41	41	42	42	43	43	44	45	46	47	48
44-----	38	39	40	40	41	41	42	42	43	43	44	44	45	46	47	49
45-----	38	39	40	41	41	42	42	43	43	44	44	45	45	46	47	49
46-----	39	39	40	41	41	42	42	43	43	44	44	45	45	46	47	49
47-----	39	40	40	41	41	42	42	43	43	44	44	45	46	47	47	50
48-----	39	40	41	41	42	42	43	44	44	45	45	46	47	48	49	50
49-----	39	40	41	41	42	42	43	44	45	45	46	47	48	49	50	51
50-----	40	41	41	42	42	43	44	44	45	46	47	47	48	49	50	51

ITEMS WITH A "NET COST" OF FROM 34½¢ TO 42¢ PER UNIT

Net cost (per unit)-----	34½¢	35¢	35½¢	36¢	36½¢	37¢	37½¢	38¢	38½¢	39¢	39½¢	40¢	40½¢	41¢	41½¢	42¢
Mark-up (percent):	Cents															
6-----	37	37	38	38	39	40	40	41	41	42	42	43	43	44	44	45
7-----	37	37	38	39	39	40	41	41	42	42	43	43	44	44	45	45
8-----	37	38	38	39	39	40	41	41	42	42	43	43	44	44	45	45
9-----	38	38	39	39	40	40	41	41	42	42	43	43	44	44	45	46
10-----	38	39	39	40	40	41	41	42	42	43	43	44	44	45	46	46
11-----	38	39	39	40	40	41	41	42	42	43	43	44	44	45	46	47
12-----	39	39	40	40	41	41	42	42	43	43	44	44	45	45	46	47
13-----	39	40	40	41	41	42	42	43	43	44	44	45	45	46	47	47
14-----	39	40	40	41	41	42	42	43	43	44	44	45	45	46	47	47
15-----	40	40	41	41	42	42	43	43	44	44	45	45	46	46	47	48
16-----	40	41	41	42	42	43	43	44	44	45	45	46	46	47	48	49
17-----	40	41	42	42	43	43	44	44	45	45	46	46	47	47	48	49
18-----	41	41	42	42	43	43	44	44	45	45	46	46	47	48	48	50
19-----	41	42	42	43	43	44	44	45	45	46	46	47	47	48	48	50
20-----	41	42	43	43	44	44	45	45	46	46	47	47	48	49	49	50
21-----	42	42	43	44	44	45	45	46	46	47	47	48	49	50	50	51
22-----	42	43	43	44	44	45	45	46	46	47	47	48	49	50	50	51
23-----	42	43	44	44	45	45	46	46	47	47	48	49	50	50	51	52
24-----	43	43	44	45	45	46	46	47	47	48	48	49	50	50	51	52
25-----	43	44	44	45	45	46	46	47	47	48	48	49	50	50	51	52
26-----	43	44	45	45	46	46	47	47	48	48	49	50	50	51	52	53
27-----	44	44	45	46	46	47	47	48	48	49	49	50	50	51	52	53
28-----	44	45	45	46	47	47	48	48	49	49	50	50	51	52	53	54
29-----	45	45	46	46	47	47	48	48	49	49	50	50	51	52	53	54
30-----	45	46	46	47	47	48	48	49	49	50	50	51	52	53	54	55
31-----	45	46	47	47	48	48	49	49	50	50	51	52	53	54	55	55
32-----	46	46	47	48	48	49	49	50	50	51	51	52	53	54	55	55
33-----	46	47	48	48	49	49	50	50	51	51	52	53	54	55	55	56
34-----	46	47	48	48	49	49	50	50	51	51	52	53	54	55	56	56
35-----	47	47	48	49	49	50	50	51	51	52	52	53	54	55	56	57
36-----	47	48	48	49	49	50	50	51	51	52	52	53	54	55	56	57
37-----	47	48														

RULES AND REGULATIONS

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 42½¢ TO 50¢ PER UNIT

Net cost (per unit)	42½¢	43¢	43½¢	44¢	44½¢	45¢	45½¢	46¢	46½¢	47¢	47½¢	48¢	48½¢	49¢	49½¢	50¢
Mark-up (percent)	Cents															
6	45	46	46	47	48	48	49	49	50	50	51	51	52	52	53	53
7	45	46	47	47	48	48	49	49	50	51	51	52	52	53	54	54
8	46	46	47	48	48	49	49	50	50	51	52	52	53	53	54	54
9	46	47	47	48	49	49	50	50	51	51	52	53	53	54	55	55
10	47	47	48	48	49	49	50	50	51	51	52	53	54	54	55	55
11	47	48	48	49	49	50	50	51	51	52	53	53	54	54	55	55
12	48	48	49	49	50	50	51	52	52	53	53	54	54	55	55	56
13	48	49	49	50	50	51	51	52	53	53	54	54	55	55	56	57
14	48	49	50	50	51	51	52	52	53	54	54	55	55	56	56	57
15	49	49	50	51	51	52	52	53	53	54	55	55	56	56	57	58
16	49	50	50	51	52	52	53	53	54	55	55	56	56	57	57	58
17	50	50	51	51	52	53	53	54	54	55	56	56	57	57	58	59
18	50	51	51	52	53	53	54	54	55	55	56	57	57	58	58	59
19	51	51	52	52	53	53	54	54	55	56	57	57	58	58	59	60
20	51	52	52	53	53	54	55	55	56	57	57	58	58	59	59	60
21	51	52	53	53	54	54	55	56	56	57	57	58	59	59	60	61
22	52	52	53	54	54	55	56	56	57	57	58	59	59	60	60	61
23	52	53	54	54	55	55	56	57	57	58	58	59	60	60	61	62
24	53	53	54	55	55	56	56	57	58	58	59	59	60	60	61	62
25	53	54	54	55	55	56	56	57	58	58	59	59	60	61	61	63
26	54	54	55	55	56	57	57	58	58	59	59	60	60	61	62	63
27	54	55	55	56	57	57	58	58	59	59	60	60	61	62	63	64
28	54	55	56	56	57	58	58	59	59	60	60	61	61	62	63	64
29	55	55	56	57	57	58	58	59	59	60	61	61	62	63	64	65
30	55	56	57	57	58	58	59	59	60	60	61	62	63	64	64	65
31	56	56	57	58	58	59	59	60	60	61	62	62	63	64	64	66
32	56	57	57	58	58	59	59	60	61	61	62	63	64	65	65	66
33	57	57	58	59	59	59	60	61	61	62	63	63	64	65	65	67
34	57	58	58	59	59	60	60	61	61	62	63	64	64	65	66	67
35	57	58	59	59	60	60	61	61	62	63	63	64	65	65	66	68
36	58	58	59	59	60	61	61	62	63	63	64	65	65	66	67	68
37	58	59	60	60	61	61	62	63	63	64	64	65	66	67	67	69
38	59	59	60	61	61	62	63	63	64	64	65	66	66	67	68	69
39	59	60	60	61	61	62	63	63	64	65	65	66	67	67	68	70
40	60	60	61	61	62	62	63	64	64	65	66	67	67	68	69	70
41	60	61	61	62	63	63	64	64	65	66	67	68	68	69	70	71
42	60	61	62	62	63	63	64	65	65	66	67	67	68	69	70	71
43	61	61	62	63	64	64	65	65	66	66	67	68	69	70	71	72
44	61	62	63	63	64	65	66	66	67	67	68	68	69	70	71	72
45	62	62	63	64	64	65	66	66	67	67	68	68	69	70	71	73
46	62	63	64	64	65	65	66	67	67	68	68	69	70	71	72	73
47	62	63	64	65	65	66	67	68	68	69	70	70	71	72	73	74
48	63	64	64	65	65	66	67	67	68	68	69	70	70	71	72	73
49	63	64	65	66	66	67	68	68	69	69	70	71	72	72	73	74
50	64	65	65	66	67	68	68	69	70	71	71	72	73	74	74	75

ITEMS WITH A "NET COST" OF FROM 50½¢ TO 58¢

Net cost (per unit)	50½¢	51¢	51½¢	52¢	52½¢	53¢	53½¢	54¢	54½¢	55¢	55½¢	56¢	56½¢	57¢	57½¢	58¢
Mark-up (percent)	Cents															
6	54	54	55	55	56	56	57	57	58	58	59	59	60	60	61	61
7	54	55	55	56	56	57	57	58	58	59	60	60	61	62	62	63
8	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63
9	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63	64
10	56	56	57	57	58	58	59	59	60	60	61	62	62	63	63	64
11	56	57	57	58	58	59	59	60	60	61	62	62	63	63	64	64
12	57	57	58	58	59	59	60	60	61	61	62	62	63	64	64	65
13	57	58	58	59	59	60	60	61	61	62	62	63	64	64	65	66
14	58	58	59	59	60	60	61	61	62	62	63	63	64	64	65	66
15	58	59	59	60	60	61	62	62	63	63	64	64	65	65	66	67
16	59	59	60	60	61	61	62	63	63	64	64	65	66	66	67	68
17	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67	68
18	60	60	61	61	62	63	63	64	64	65	65	66	67	67	68	68
19	60	61	61	62	63	64	64	65	65	66	66	67	67	68	68	69
20	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69	70
21	61	62	62	63	64	64	65	65	66	66	67	67	68	68	69	70
22	62	62	63	63	64	64	65	65	66	66	67	67	68	68	69	70
23	62	63	63	64	64	65	65	66	66	67	68	68	69	69	70	71
24	63	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72
25	63	64	64	65	66	66	67	67	68	69	70	70	71	72	72	73
26	64	64	65	66	66	67	67	68	68	69	70	71	71	72	72	73
27	64	65	66	66	67	67	68	68	69	69	70	71	72	72	73	74
28	65	65	66	67	67	68	68	69	70	70	71	72	72	73	74	74
29	65	66	66	67	68	68	69	70	70	71	72	72	73	74	74	75
30	66	66	67	68	68	69	69	70	70	71	72	72	73	74	75	75
31	66	67	67	68	69	69	70	71	71	72	73	73	74	75	75	76
32	67	67	68	69	69	70	71	72	72	73	73	74	74	75	75	77
33	67	68	68	69	70	70	71	72	72	73	73	74	74	75	76	77
34	68	68	69	70	70	71	72	72	73	73	74	74	75	76	76	78
35	68	69	70	70	71	71	72	72	73	73	74	74	75	76	77	78
36	69	69	70	71	71	72	72	73	73	74	74	75	75	76	77	78
37	69	70	71	71	72	72	73	73	74	74	75	75	76	77	78	79
38	70	70	71	72	72	73	74	75	75	76	77					

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 58½¢ TO 60½¢

Net cost (per unit).....	58½¢	59¢	59½¢	60¢	60½¢	61¢	61½¢	62¢	62½¢	63¢	63½¢	64¢	64½¢	65¢	65½¢	66¢	66½¢
Mark-up (percent):	Cents																
6.....	62	63	63	64	64	65	66	66	67	67	68	68	69	69	70	70	70
7.....	63	63	64	64	65	65	66	66	67	67	68	68	69	70	71	71	71
8.....	63	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72
9.....	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72	73
10.....	64	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	74
11.....	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73	74
12.....	66	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	74
13.....	66	67	67	68	68	69	69	70	70	71	71	72	72	73	74	75	75
14.....	67	67	68	68	69	70	70	71	71	72	72	73	74	75	75	76	76
15.....	67	68	68	69	70	70	71	71	72	72	73	74	75	75	76	76	76
16.....	68	68	69	70	70	71	71	72	73	73	74	74	75	75	76	76	77
17.....	68	69	70	70	70	71	71	72	73	73	74	74	75	75	76	77	78
18.....	69	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	78
19.....	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79
20.....	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80
21.....	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	80
22.....	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81
23.....	72	73	73	74	74	75	76	76	77	77	78	78	79	79	80	81	82
24.....	73	73	74	74	75	75	76	76	77	78	78	79	79	80	81	81	82
25.....	73	74	74	75	75	76	76	77	78	78	79	79	80	81	82	83	83
26.....	74	74	75	76	76	77	77	78	78	79	79	80	81	82	83	83	84
27.....	74	75	76	76	77	77	78	78	79	79	80	81	82	83	83	84	84
28.....	75	76	76	77	77	78	78	79	79	80	81	82	83	83	84	84	85
29.....	75	76	77	77	78	78	79	79	80	81	82	83	83	84	84	85	86
30.....	76	77	77	78	78	79	79	80	81	82	83	83	84	85	85	86	86
31.....	77	77	78	79	79	79	80	81	81	82	83	83	84	84	85	86	87
32.....	77	78	79	79	80	81	81	82	83	83	84	84	85	86	86	87	88
33.....	78	78	79	80	80	81	82	82	83	83	84	84	85	86	87	88	88
34.....	78	79	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89
35.....	79	80	80	81	81	82	82	83	84	84	85	85	86	87	88	88	89
36.....	80	80	81	82	82	83	84	84	85	86	86	87	88	88	89	89	90
37.....	80	81	82	82	83	84	84	85	86	86	87	88	88	89	89	90	91
38.....	81	81	82	83	83	84	85	86	86	87	88	88	89	89	90	91	92
39.....	81	82	83	83	84	85	86	86	87	88	88	89	90	90	91	92	93
40.....	82	83	83	84	84	85	86	87	87	88	89	90	90	91	92	92	93
41.....	82	83	84	84	85	85	86	87	87	88	89	90	90	91	92	92	94
42.....	83	84	84	85	86	87	87	88	88	89	89	90	91	92	92	93	94
43.....	84	84	85	86	87	87	88	89	89	90	91	92	93	94	94	95	96
44.....	84	85	86	86	87	88	89	89	90	91	92	93	94	94	95	95	96
45.....	85	86	86	87	88	88	89	90	91	91	92	93	93	94	95	96	97
46.....	85	86	87	87	88	89	90	90	91	91	92	93	93	94	95	96	97
47.....	86	87	87	88	89	90	90	91	92	93	93	94	94	95	96	97	98
48.....	87	87	88	89	90	90	91	92	93	93	94	94	95	95	96	97	98
49.....	87	88	89	89	90	91	92	92	93	94	94	95	95	96	97	98	99
50.....	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99	100

ITEMS WITH A "NET COST" OF FROM 67¢ TO 75¢

Net cost (per unit).....	67¢	67½¢	68¢	68½¢	69¢	69½¢	70¢	70½¢	71¢	71½¢	72¢	72½¢	73¢	73½¢	74¢	74½¢	75¢
Mark-up (percent):	Cents																
6.....	71	72	72	73	73	74	74	75	75	76	76	77	77	78	78	79	80
7.....	72	72	73	73	73	74	75	75	76	77	77	78	79	79	80	80	80
8.....	72	73	73	74	74	75	75	76	76	77	77	78	79	79	80	80	81
9.....	73	74	74	75	75	76	76	77	77	78	78	79	80	80	81	81	82
10.....	74	74	75	75	75	76	76	77	78	78	79	79	80	80	81	82	83
11.....	74	75	75	76	76	77	77	78	78	79	79	80	80	81	82	83	83
12.....	75	76	76	77	77	78	78	79	79	80	80	81	82	83	83	84	84
13.....	76	76	77	77	78	78	79	79	80	80	81	82	83	84	84	85	85
14.....	76	77	78	78	79	79	80	80	81	81	82	83	84	84	85	85	86
15.....	77	78	78	79	79	80	81	81	82	82	83	83	84	84	85	85	86
16.....	78	78	79	79	79	80	81	81	82	82	83	84	84	85	85	86	87
17.....	78	79	79	79	80	81	81	82	82	83	84	84	85	85	86	87	88
18.....	79	80	80	81	81	82	83	83	84	84	85	85	86	86	87	87	89
19.....	80	80	81	82	82	83	83	84	84	85	86	86	87	87	88	89	89
20.....	80	81	82	82	83	83	84	84	85	85	86	86	87	88	88	89	90
21.....	81	82	82	83	83	84	84	85	85	86	87	87	88	88	89	90	91
22.....	82	82	83	84	84	85	85	86	86	87	87	88	88	89	90	90	92
23.....	82	83	84	84	85	85	86	86	87	87	88	89	90	90	91	92	92
24.....	83	84	84	85	85	86	86	87	87	88	89	89	90	91	91	92	93
25.....	84	84	85	86	87	88	88	89	89	90	91	91	92	93	93	94	95
26.....	84	85	86	86	87	87	88	88	89	89	90	91	91	92	93	93	94
27.....	85	86	87	88	88	89	89	90	90	91	91	92	93	93	94	95	95
28.....	86	86	87	88	88	89	89	90	90	91	92	92	93	94	95	95	96
29.....	86	87	88	88	89	90	90	91	91	92	92	93	94	95	95	96	97
30.....	87	88	88	89	89	90	90	91	92	92	93	94	94	95	96	96	97
31.....	88	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98
32.....	88	89	90	90	91	92	92	93	94	94	95	96	96	97	98	98	99
33.....	89																

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(b) *Instructions for use of Table A, Table B, and Table C.* Tables A and B contain the mark-ups for all commodities in this regulation. Table C is included to assist you in determining ceiling prices without burdensome calculations.

Table A lists by commodity groups the "dry groceries" covered by this regulation and the mark-ups to be used by Group 3 and Group 4 retailers in figuring their ceiling prices. Table B gives the same information for "perishables." However, in addition, Table B also lists the selling units, on the basis of which retailers must figure their net costs and ceiling prices for "perishables." For a detailed list of the items in each commodity group, see "Commodity definitions of dry groceries" printed immediately after Table A, and "Commodity definitions of perishables" printed immediately after Table B. After you have determined your "net cost" for an item in accordance with the method set up in this regulation, find your proper mark-up in the commodity group which includes the item you are pricing. Commodity groups are listed at the left of Table A and Table B. Directly opposite each commodity group you will find a percentage mark-up for your group of retailers.

If a percentage mark-up is shown, you get your ceiling price for the item by turning to Table C, which shows the ceiling price for all items with per unit net costs ranging from $\frac{1}{2}\text{¢}$ to 75¢ . Percentage mark-ups over net cost are listed in the column at the extreme left of Table C, and "net cost" across the top of the table. "Net cost per unit" means, in the case of dry groceries, the "net cost" of a single unit (one can, one jar, etc.). For perishables, it means the "net cost" of the selling unit listed in the list column of Table B.

To determine your ceiling price from Table C, find your net cost at the top of the table. Go down that column until you come to the figure (in that column) on the same line as your mark-up. The figure at that point is your ceiling price for the item.

If your net cost per unit is more than 75 cents, you cannot use Table C to get your ceiling price. In those cases, you must (1) multiply your net cost by your percentage mark-up, (2) add the result to your net cost, and (3) round the sum to the nearest whole cent. For perishables, your net cost must be in terms of the selling unit specified in Table B.

Example (1). A Group 3 retailer wishes to figure a new ceiling price for "xx" Brand, 11 ounces canned tomato soup, which he must put into effect by April 30, 1951, in accordance with section 3. His most recent purchase of a customary quantity of this item from a customary type of supplier delivered to his usual receiving point was a carload purchased from a packer and delivered at a cost of \$4.40 a case (48) on December 22, 1950. He must first figure to the nearest half-cent, his "net cost" on a single unit basis (sec. 4, (a) (2)), that is, for a single can. He therefore divides the cost for the case, \$4.40, by the number of single units in the case, 48, and gets a result of \$0.0916 before rounding. Rounding to the nearest half-cent, this becomes \$0.09. (If the figure had been \$0.0925 before rounding, he would have rounded to \$0.095.) He then turns to Table A to find the mark-up to be applied

to his net cost. Going down the column at the left of Table A he will find a listing of the commodity group which includes the item he is pricing. For canned tomato soup this group is "Soup (canned)." Going across the page on that line, he will find his mark-up for the item in the column for Group 3 retailers. In this case, his mark-up is 19 percent. Having his mark-up and net cost, Table C will give him his ceiling price without further computations. Checking across the top of Table C, he will find a column headed by his net cost \$0.09. Going down this \$0.09 column until he comes to the figure on the same line as his percentage mark-up of 19 percent listed in the column at the extreme left of Table C he will find his ceiling price for the item to be 11 cents per can.

Effective date. This regulation shall become effective on the 5th day of April 1951.

Note: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MARCH 28, 1951.

[F. R. Doc. 51-3923; Filed, Mar. 28, 1951;
5:14 p. m.]

[Ceiling Price Regulation 16]

CPR-16—CEILING PRICES OF CERTAIN FOODS SOLD AT RETAIL IN GROUP 1 AND GROUP 2 STORES

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation 16 is hereby issued.

STATEMENT OF CONSIDERATIONS

This statement of considerations covers CPR 14, CPR 15 and CPR 16.

The General Ceiling Price Regulation was issued essentially as a "stop gap" measure in order to bring under immediate control the prices of most goods and services. It was the only technique that could be applied quickly and comprehensively. At the time of issuance it was recognized that the regulation was not well adapted to the long range control of prices in many parts of the economy. This is true in the wholesaling and retailing of food. Between the outbreak of the Korean war and the freeze period, some food distributors had placed in effect substantial price increases beyond those necessitated by the increased cost of food. Others had not so advanced their prices. Thus the freeze technique rewarded those who had increased their prices most. The distortions in the cost-price relationships and the chance abnormalities that existed in the base period were frozen into the price structure. Moreover, the freeze technique is particularly difficult to apply to new sellers who have no base period ceiling price. In an industry such as food distribution with thousands of sellers there are bound to be large numbers of new sellers. The effort to fix ceiling prices for these new sellers creates serious problems of administration and fairness. Fixing ceiling prices for new items presents similar

problems. Moreover, the effort to enforce ceiling prices based on a general freeze for more than 500,000 sellers presents an extremely difficult enforcement problem.

These regulations establish a different method of fixing ceiling prices for sales by wholesalers and retailers of most dry and some perishable grocery products by providing specific percentage markups for different food categories. They govern approximately 60 percent of food purchases made by consumers in retail stores. Though the grocery business customarily computes margins as a percentage of sales, for practical purposes and easy calculation, the margins here are translated to a markup on cost. The markup technique employed provides a simple, enforceable, equitable and effective method of price control. It was the technique employed by the Office of Price Administration in issuing MPR's 421, 422, and 423 which regulated dry grocery prices during World War II. These regulations were the result of careful classification of wholesalers and retailers and a comprehensive survey of appropriate margins within each class of seller. Their validity was upheld by the Emergency Court of Appeals. During the period when they were effective, food costs were stabilized. At the same time earnings per dollars of sales of food distributors exceeded those experienced prior to 1942.

The contrast between the inadequacies of a "freeze" regulation such as the General Ceiling Price Regulation, in controlling prices for food distributors, and the success of the margin type regulation used by the OPA makes it imperative that distributors' ceiling prices of dry groceries be fixed on a markup basis at the earliest possible date. At the present time, the best markups available are those which were used by the OPA in issuing MPR's 421, 422, and 423, and which were in effect from 1943-1946. In order to act now, the Director of Price Stabilization has generally employed these markups for most food categories for most distributors. The Office of Price Stabilization is now organizing a study of margin and earning figures for food distributors in order to obtain more recent comprehensive data. If the study should indicate that the ceiling prices established under this regulation are either too low or too high, the regulation will be promptly revised to reflect the results of the survey.

Consultation with the wholesalers and retailers of dry groceries has indicated that wholesalers and the independent retailers generally believe that the OPA markups applicable to them will return adequate gross margins. The chain stores and supermarkets, however, have insisted that the OPA markups would be inadequate and have presented calculations to show that their application to pre-Korea operations would reduce by approximately 3 percent on sales the grocery department gross margins experienced at that time. They urge that their operations are conducted on a low net margin of profit to sales, and fear that these ceilings will mean loss operations. This position has been given very careful consideration by the Director of Price Stabilization. An examination of the data submitted by the chains and supermarkets indicates that there is a substantial basis for these figures. In most food categories the OPA markups

conform generally with normal pricing practices. In some categories, however, it has been indicated that markups have changed substantially since the war. In issuing these regulations, therefore, the Director has made some adjustments in these food categories for these sellers. These adjustments will be carefully checked against the results of the survey.

On the whole the markups used for chains and supermarkets should increase by a little more than 1 percent the margin on sales yielded by the OPA markups. While the chains and supermarkets indicate that an adjustment of approximately 3 percent is required, their calculations overlook certain important considerations which indicate that these adjusted markups will provide generally fair and equitable prices. Since the markups are computed as a percentage of cost, any increase in food cost is reflected in higher dollar margins. All retailers consulted by the OPS conceded that food costs have gone up at least 10 percent and evidence available to the Director of Price Stabilization indicates that the increase may be more. Assuming the minimum increase in food costs, the percentage markup could be reduced and still return as many or more dollars as were earned in a pre-Korea period. If a food retailer prior to Korea had food costs of \$1,000,000, and sales of \$1,200,000, he would have a percentage markup of 20 percent and a dollar margin of \$200,000. Today, however, if he sold the same quantity of food the cost of food to him would have increased to at least \$1,100,000. A percentage markup of 18.3 percent would produce a dollar margin of \$201,300, or more than he earned prior to the increase in the cost of food. Thus, even if the markups in this regulation result in a lower percentage markup than that experienced in a pre-Korea period, the increase in the cost of food has been so substantial that these regulations should not prevent food distributors from realizing adequate over-all dollar margins.

It is true, of course, that the overhead costs which are to be covered by the markups may have increased since Korea. However, food stores have also experienced a marked and rapid increase in physical volume. This means that fixed overhead costs can be spread over more units of merchandise and the cost per unit reduced. Moreover, in a period of accelerated inflation, food costs and food prices rise much faster than overhead expenses and in a seller's market, sales and promotion costs can be better controlled. These factors are reflected in higher net earnings. Percentage markups can be reduced and the distributor will still be able to cover dollar increases in these overhead expenses and realize net earnings comparable to those realized prior to the inflationary period.

The experience since Korea indicated the effect of all of these factors on earnings. In 1950 the sales of leading chain stores increased over 1949 by approximately 6 percent mainly during the last half of the year. However, dollar earnings for the same chains increased by 18 percent. Thus, dollar earnings increased substantially more percentage-wise than dollar sales. Apparently, therefore, overhead expenses have not risen as sharply as food costs and food

prices and this has been reflected in the higher earnings. On the basis of these considerations, the Director of Price Stabilization finds that the markups set forth in these regulations will produce generally fair and equitable prices.

SPECIFIC PROVISIONS OF THE REGULATIONS

Ceiling Price Regulation No. 14 applies to sales by wholesalers of certain food products called "dry groceries," which are listed in Table A of the Regulation. Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and Ceiling Price Regulation No. 15 (Group 3 and 4 stores) apply to sales by retailers of the same list of dry groceries as are covered by the wholesale regulation and additional list in Table B called perishables. Sales of perishable items at wholesale will continue to be controlled by the General Ceiling Price Regulation. Likewise, since Table B, for the time being, includes only butter and packaged cheese, sales of other perishable items at retail will continue to be controlled by the General Ceiling Price Regulation.

For the most part the provisions of these regulations are similar to those used by OPA in MPR's 421, 422 and 423, which regulated dry grocery prices during World War II. In general the dry grocery commodity categories are the same except where a limited number of slow-moving high-margin items have been taken out of the category used by OPA and placed under "miscellaneous foods". Also "flour mixes" have been taken out of the "flour" category and included in the corn meal, hominy category. Such adjustments were recommended by representative members of the industry and it is believed by the Director of Price Stabilization that the facts available clearly justified the change in category.

(a) *Classification of wholesalers and retailers.* The classification of wholesalers in Ceiling Price Regulation No. 14 is the same as that used in MPR 421 by OPA. The classification of retailers in Ceiling Price Regulation No. 16 (Group 1 and 2 stores), and in Ceiling Price Regulation No. 15 (Group 3 and 4 stores) is also the same as that used in MPR's 422 and 423 by OPA, except that the volume definitions have been changed. Ceiling Price Regulations Nos. 15 and 16 provide as follows:

Group 1—Independent retail stores with annual sales volume of less than \$75,000 in 1950.

Group 2—Independent retail stores with annual sales volume between \$75,000 and \$375,000 in 1950.

Group 3—Retail stores (other than independent stores) with annual sales volume of less than \$375,000 in 1950.

Group 4—Retail stores (independent or otherwise) with annual sales volume of \$375,000 or more in 1950.

Under the OPA regulations \$50,000 annual sales volume was the dividing line between Groups 1 and 2 stores, and \$250,000 annual sales volume was the dividing line between Group 2 stores (independent stores) and independent Group 4 stores. The same figure was used to determine whether a chain store was a Group 3 or Group 4 store. At the time price controls expired in 1946, the group of a retail store was determined by its sales volume in 1945. There was no objection from the industry to these particular volume definitions. However, some adjustment in this volume classification is necessary now by reason of the

increased price of food to reach results similar to those employed in 1946.

The Director of Price Stabilization has determined that the changes in the Bureau of Labor Statistics Consumers Food Price Index provides the best point of departure for this adjustment. For the year 1945, this Index stood at 139 percent, and by 1950 it had risen to 204 percent. This is an increase of approximately 47 percent. Therefore, it has been concluded to use \$75,000 annual sales volume as the dividing line between Groups 1 and 2 stores and \$375,000 as the dividing line between Group 2 and Group 4 independent stores. The latter figure is also used to separate the chain stores into Groups 3 and 4.

(b) *Method for figuring ceiling prices.* For wholesalers and retailers the pricing technique for the dry groceries (Tables A) is the same. They are required by section 3 of each regulation to apply the markup given in Table A to the most recent delivered cost before the effective date of the regulations. The resulting amount will be the ceiling price. However, section 3 (c) of each regulation provides that with respect to each item of the 1950 pack of food commodity Groups 8, 10, 11, 12, 13, 32, and 33 under Tables A both wholesalers and retailers may continue to use the legal ceiling price for each item under the General Ceiling Price Regulation if their last purchase of the particular item was made prior to January 26, 1951, until they receive delivery of a purchase made after that date. Of course, the ceiling price for any item that falls within food commodity Groups 8, 10, 11, 12, 13, 32, and 33 which is purchased after January 26, 1951, must be figured by applying the provisions of these regulations.

In the case of those sellers who purchased items of the 1950 pack several months ago, the application of the markups to costs of those purchases would result in ceiling prices that do not reflect current condition. Consequently, the volume purchaser's prices would be vastly different from those of the smaller purchaser, since the cost price for the items has increased considerably since the 1950 pack came in. Likewise, by applying the markup provisions to the items of the 1950 pack purchased prior to January 26, 1951, a sharp increase in the prices of the items will naturally result when the new pack comes in. For these reasons, the exception with respect to each item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32 and 33 is necessary in order to keep prices as stable as possible.

(c) *Effective date of the regulations.* The new ceiling prices established by applying the provisions of these regulations must be put into effect on all items not later than April 30, 1951. Between April 5, 1951, and April 30, 1951, the new ceiling price on any item may be put into effect as soon as it is figured. If the new ceiling price is not put into effect for an item prior to April 30, 1951, the existing ceiling price under General Ceiling Price Regulation for that item must remain in effect until April 30, 1951. In the event any item is delivered between April 5, 1951, and April 30, 1951, for which there is no ceiling price, the ceiling price must be figured according to the rules of these regulations.

(d) *Recalculation of ceiling prices.* These regulations permit a weekly re-calculation of prices which was not per-

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mitted under the regulations of OPA. Before making a sale of an item of "dry groceries" on each Monday after April 30, 1951, the ceiling price for any item must be refigured if the net cost of the item is different from the net cost on which the existing ceiling price is based. Recalculation is necessary until such time as the processors' ceilings are stabilized by the Office of Price Stabilization. Because of the parity provisions of the Defense Production Act of 1950 this cannot be accomplished with respect to a substantial number of the food commodities controlled by these regulations at this time. At such time as the items at the processor level are stabilized the recalculation provisions of the regulations will be revoked. However, the perishable commodities in Tables B of the retail regulations will still be subject to recalculation. These commodities because of their seasonal and perishable characteristics are subject to sharp and unforeseeable price fluctuations.

(e) *Posting.* All retailers must at all times post their current selling price for each item of food covered by these regulations. Such displayed price must never exceed the ceiling price. All retailers must post the group their store is in.

(f) *Packaging and assembling allowances.* It has been the practice of many wholesalers and retailers to purchase certain food commodities in bulk and then to package and resell them in cardboard containers, transparent, cotton or interlined coffee bags, or kraft bags or similar type bags. The markups provided in the regulations do not include the entire factor necessary to cover the extra cost of packaging incurred by such bulk purchasers. Therefore, whenever such expense is incurred, certain set amounts may be included in figuring ceiling prices. The allowances are set forth in sections 18 of the retailer regulations and section 13 of the wholesale regulation. The figures contained therein are slightly higher than the packaging allowances previously granted under the OPA regulations in order to reflect the increased cost of such packaging material. This allowance does not apply to the packaging of items at the time of sale.

(g) *Retail delivery and assembly allowance.* The retail regulations establish an allowance for delivery by retail stores to customers' homes or places of business. In arriving at the markups for all retail stores a proper allowance for such delivery was not included since all retail sales are not delivered. With such a small amount of service included in the given markups, it was decided that an extra allowance was necessary to compensate those who incurred this expense. In addition, the Group 3 and 4 regulation establishes an allowance for assembly of orders taken by telephone. A similar provision was not included in the Group 1 and 2 regulation since assembly of orders by telephone is a normal practice in Group 1 and 2 stores and the markups applicable to those stores reflect an appropriate allowance for such service. This was not true in case of Groups 3 and 4 stores and hence a special pricing provision is proper. A fee of 25 cents is allowed to all retail stores for deliveries of food orders to customers' homes or places of business, as a separate charge, where the total value of the delivery is \$3.00 or more, and an addi-

tional fee of 15 cents is allowed to Groups 3 and 4 stores, who generally offer the service of taking telephone orders and assembling them, for assembly of orders taken by telephone.

(h) *Transportation allowances for delivery from warehouses to retail stores—*

(1) *Wholesalers.* Many wholesalers deliver to stores a great distance away and in the past have taken care of this expense in various ways, which makes it impossible to determine any standard delivery for deliveries outside of a free zone. Therefore, wholesalers are permitted to use the same differentials as they have used in January 1951. These differentials must be included as part of the wholesalers' ceiling prices so that retailers will not have to allocate this cost among the various items purchased. Wholesalers who did not use a zone system during January 1951 but instead an average price are allowed to add certain percentages for deliveries over 125 miles. Likewise, the regulations contain specific provisions for additions by wholesalers making f. o. b. sales.

(2) *Retailers.* The markup provisions of these regulations reflect the cost of delivery from the retailers' warehouses to their stores located within a normal delivery zone. However, some retailers deliver much greater distances and in order to compensate for this expense, varying additions to net cost are allowed, depending on the distance beyond the normal delivery area.

(i) *Pyramiding of markups.* Special provisions are included in the regulations to prevent pyramiding of markups. Wholesalers buying from other wholesalers must use the "net cost" to the first wholesaler on such purchases where they have not previously established ceiling prices under the regulation as a basis for figuring their ceiling prices provided the "net cost" does not exceed the "net cost" had the purchases been made from the manufacturer or processor. Retailers are not allowed to use any purchase from another retailer to figure a ceiling price if it results in a net cost higher than the retailer would have if the purchase was made from a regular supplier or any other normally available source.

(j) *Other special pricing provisions.* In addition to the aforementioned provisions the Group 3 and 4 regulation contains certain special methods of figuring net cost for certain commodities purchased in a particular way. All of Article II—Special Pricing Provisions, in this regulation is not fully printed in the regulation for Groups 1 and 2 stores but these provisions are applicable by cross references. Such provisions seldom apply to smaller stores and it was felt that simplification would be added if they were omitted from the Group 1 and 2 regulation and if these stores were referred to the Group 3 and 4 regulation where such provisions were applicable.

ADJUSTMENT PROVISIONS OF THE REGULATIONS

(a) *Classification adjustments.* Any rigid classification such as is necessary in a standard markup regulation will work hardship on certain distributors who by accident of definition fall into one classification whereas their horizontal operation and margin pattern is actually that of another classification. Therefore, in both wholesale and retail regulations, provision has been made

whereby a distributor performing the same service as one in another class, having a margin as high as that of the other class, and having a price structure similar to that of the class, may be transferred to the other class. These provisions are contained in sections 26, 27 and 28 of the wholesale regulation and section 26 of the retail Group 3 and 4 regulation. These adjustment provisions are not intended for distributors who do not meet these criteria, and adjustments will not be granted unless it can be demonstrated that such reclassification is justified.

With regard to section 26 (a) (4) of the Group 3 and 4 regulation, under the OPA regulation the criteria for adjustment was based on the total gross margin being more than 25 percent on all sales in the food departments and also, if the store was not an independent store, more than 25 percent on the combined sale of the food departments in all stores of the organization. The percentage figure of more than 25 percent contained in the OPA regulation has been reduced to 23 percent or more in this regulation because the available facts clearly indicated that there had been a lowering of the gross margins for this type of operation. The substantial difference existing between a 23 percent markup and the standard markup of Groups 3 and 4 stores should assure that the stores, in fact, have been conducting a different type of operation and that reclassification is justified. In order to eliminate the need for examining the individual adjustment applications under this section immediately, the regulation provides that all those stores which qualified for such adjustment under the OPA regulation will automatically qualify under this regulation upon the filing of an adjustment application, provided they meet the test that their total gross margin in the fiscal year 1950 was 23 percent or more on all sales in their food department and also, if not independent stores, 23 percent or more on the combined sales of the food departments in all the stores, for which adjustment is sought, of their organization. These applications will be reviewed later and if an applicant is found not to have qualified with the specific provisions of this regulation, the adjustment will be revoked. For the same reasons, it has been determined with respect to similar provisions of the wholesale regulation to reduce the criteria for adjustment used under the OPA wholesale regulation from at least 20 percent to at least 18 percent.

(b) *Local shortage adjustments.* Price control may possibly result in some areas being deprived of a food supply. To avoid such a local shortage, which might occur if all the retailers in a remote area withdraw from business, an adjustment may be granted when the retailers furnish adequate proof that they are necessary to assure an adequate supply of food in a certain locality, and of the existence of necessary higher operating costs. It is also necessary for them to establish that any adjustment granted will not create a shortage or a need for increase in prices in another locality.

DOLLARS-AND-CENTS CEILING PRICES

The fixed markup technique is a sound and effective method of price control for food distributors. However, as food costs

become stabilized it will be possible to translate margin calculations into specific dollars-and-cents ceiling prices. These dollars-and-cents ceilings provide an even simpler and more effective type of price control. When such dollars-and-cents prices are fixed, no item may be sold thereafter at higher prices and the orders issued to that end may provide that such prices take the place of the ceiling prices fixed under these regulations. If such orders do not provide that they replace the ceiling price under these regulations, then the ceiling price may be figured under these regulations.

CONCLUSION

In formulating these regulations the Director of Price Stabilization has consulted extensively with industry representatives and has given full consideration to their recommendations. In his judgment the provisions of these regulations are generally fair and equitable and are necessary to effectuate the purposes of title IV of the Defense Production Act of 1950.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objective of the Defense Production Act of 1950; to prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; and to relevant factors of general applicability.

REGULATORY PROVISIONS

ARTICLE I—GENERAL PROVISIONS

Sec.

1. What this regulation does.
2. How you find out whether your store is covered by this regulation and what group it is in.
3. How and when you figure your ceiling prices for "dry groceries."
4. Directions for applying the rule for "dry groceries."
5. How you figure your ceiling prices for "new items" or "dry groceries."
6. How you figure your ceiling prices each week, starting Monday, April 30, 1951.
7. Dry groceries which you import.
8. How and when you figure your ceiling prices for "perishables."
9. Directions for applying the rule for "perishables."
10. Prices which you must display.
11. Indirect price increases prohibited.
12. Sales slips and receipts.
13. Records.
14. Prohibitions.
15. Notice of dollars-and-cents ceiling prices.
16. Further provisions supplementing or explaining this regulation.

ARTICLE II—SPECIAL PRICING PROVISIONS

17. Addition allowed for deliveries made by you to your customers.
18. Additions for packaging.
19. Gift and holiday packages assembled by you.
20. Special allowance for forwarding gift package to a donee in a foreign country.
21. Sections in Ceiling Price Regulation No. 15 which you must use if they apply to your method of doing business.
22. How you figure ceiling prices for items if you are also a wholesaler and receive such items from a warehouse owned or controlled by you.
23. Special pricing provisions for manufacturers selling some commodities at retail.

ARTICLE III—ADJUSTMENT PROVISIONS

24. How certain stores, where necessary to assure an adequate supply of food in a locality, may apply for mark-up adjustments.

ARTICLE IV—MISCELLANEOUS PROVISIONS

25. How you find the "annual gross sales" of your store.

Sec.

26. How you determine your group in certain special cases.
27. Taxes.
28. Transfer of business and stock in trade.
29. Relation to other regulations.
30. Definitions.
31. Geographical applicability.

ARTICLE V—TABLES

32. Table of mark-ups for "dry groceries" (Table A).
33. Table of mark-ups for "perishables" (Table B).
34. Table of ceiling prices based on any given "net cost" and mark-up (Table C).

AUTHORITY: Sections 1 to 34 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply Title IV, Pub. Law 774, 81st Cong.; E.O. 10161, Sept. 9, 1950, 15 F.R. 6105, 3 CFR, 1950 Supp.

ARTICLE I—GENERAL PROVISIONS

SECTION 1. What this regulation does. This regulation fixes new ceiling prices for the "dry groceries" listed in Table A and the "perishables" listed in Table B for all "independent" retail stores doing an annual business of under \$375,000. These new ceiling prices are to be used instead of the ceiling prices figured under any other price regulation issued by the Office of Price Stabilization (hereinafter called OPS, and regardless of any contract or any other law. All other retail stores (Group 3 and Group 4 stores) selling these food products are covered by Ceiling Price Regulation No. 15.

Sec. 2. How you find out whether your store is covered by this regulation and what group it is in—(a) What stores are covered. Your store is covered by this regulation if it is a Group 1 or 2 store as defined below and if you are a retailer who buys and resells food products, generally without materially changing their form, for the most part to ultimate consumers who are not commercial, industrial or institutional users. For the purposes of this regulation, "Great Lakes marine suppliers" shall be considered as retailers. The provisions of this regulation apply to "retail route sellers" only with respect to frozen foods. However, this regulation does not apply to sales of "specially prepared dietetic foods" by "health food stores" or "health food departments," or to automatic vending machines or to farmers selling produce grown on their own farms.

(b) What are Groups 1 and 2 stores. For the purpose of this regulation, Groups 1 and 2 stores are defined as follows:

(1) Group 1. Your store is in Group 1 if it is an "independent" store with "annual gross sales" of less than \$75,000. Your store is an "independent" store if it is not one of four or more stores under one ownership whose combined "annual gross sales" are \$750,000 or more.

(2) Group 2. Your store is in Group 2 if it is an "independent" store with "annual gross sales" of \$75,000 or more, but less than \$375,000.

(If you are not sure what group your store is in, use the directions in section 26 for figuring the "annual gross sales" of your store. See section 30 for definitions of Group 3 and Group 4 retailers.

(c) How to display a sign of the group your store is in. At all times, you must have the group your store is in under this regulation displayed on a sign reading "OPS-1" or "OPS-2," whichever it is, or on a sign which the OPS may fur-

nish to you. The sign must be displayed so that it can be clearly seen by your customers.

(d) When you may choose to treat your store as a Group 3 or 4 store. You may choose to treat your store as either a Group 3 or Group 4 store under Ceiling Price Regulation No. 15 and display a sign in your store as a member of such other group if you:

(1) Figure your ceiling prices for all the items listed in Tables A and B of this regulation as a member of the group you choose; and

(2) Notify the OPS district office for your area of these facts.

(e) When you must notify OPS of the group in which your store falls. Within 30 days after the issuance of this regulation, you must notify the OPS district office for your area of the group of your store, using OPS Public Form No. 5 which you may obtain from the OPS district office for your area. If you open a new retail store after April 30, 1951, you must notify, within 15 days, the OPS district office for your area of the group of the store, using OPS Public Form No. 5 which you may obtain from the OPS district office for your area.

Sec. 3. How and when you figure your ceiling prices for "dry groceries"—(a) General rule. Your ceiling price for each item (that is, for each kind, brand, grade, variety, container-type and container-size) of "dry groceries" listed in Table A shall be the total of (1) the "net cost" you had to pay for the most recent delivery of the item to you before April 30, 1951, plus (2) the mark-up given you for it in Table A.

(b) When you must figure your ceiling prices. By the opening of business on April 30, 1951, you must have figured your ceiling price for each item of "dry groceries" listed in Table A which you have in stock at that time. Between April 5, 1951, and April 30, 1951, you may put into effect the new ceiling price on any item as soon as you figure it; you must put the new ceiling prices into effect on all items not later than April 30, 1951. If you do not put the new price for an item into effect before April 30, 1951, you must continue to use your existing ceiling for that item until April 30, 1951. If you receive delivery of any item between April 5, 1951, and April 30, 1951, for which you have no ceiling price, you must, before selling it, figure your ceiling price according to the rules of this regulation.

(c) Special rule for certain items of the 1950 pack. If, in the case of any item of the 1950 pack of food commodity groups 8, 10, 11, 12, 13, 32 and 33 in Table A, your last purchase of the particular item was made prior to January 26, 1951, you may continue to use your legal ceiling price for such item under the General Ceiling Price Regulation until you receive delivery of a purchase made after that date. When you receive delivery of such a purchase, you must figure your ceiling price for the item in accordance with the provisions of this regulation.

Sec. 4. Directions for applying the rule for "dry groceries"—(a) "Net cost." To figure your ceiling price, first find the "net cost" of the item based on its most recent delivery to you before April 30, 1951. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment plus all transportation charges you paid except local trucking and local

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unloading. Treat as a separate item each kind, brand, grade, variety, container-size and container-type of "dry groceries."

(1) Your net cost must be figured on purchases of a customary quantity from a customary type of supplier delivered to your "usual receiving point" by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on a single unit basis (that is, per can, per pound, per package, per jar, etc.), to the nearest half cent. (Fractions of exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.) Your invoice cost may be the cost of a carton, case or barrel, for instance, and not the cost of the package, can or other unit you sell. You must get the net cost of the single unit you sell by dividing the cost of the carton, case or barrel by the number of units in the carton, case or barrel.

(b) *Markup.* Turn to Table A to find the markup for the item given your group of store. Table A lists all the "dry groceries" covered by this regulation by commodity groups.

(c) *Ceiling price.* Next turn to Table C. Using the directions given there, you will get your ceiling price for the item. You must not change this ceiling price except in accordance with section 6.

(d) *Invoices.* You must write your "net cost" per unit of the purchase on which you have figured your ceiling price either on your invoice or other record of the price you paid for the item or on a separate slip of paper and attached to that invoice or other record. You must keep separate or mark or tag plainly, all invoices or records showing the net cost per unit which you used in figuring your ceiling prices. These invoices and records you used in figuring your ceiling prices are your means of proving that your ceiling prices are right.

SEC. 5. *How you figure your ceiling prices for "new items" of "dry groceries".* A "new item" of "dry groceries" is any item of "dry groceries" which you did not have in stock at the opening of business on April 30, 1951. You must figure the ceiling price for a new item before selling it, following the rules in section 4, but basing your "net cost" on the first delivery of the item to you on or after April 30, 1951.

In pricing new items it is a violation to use the net cost of a first purchase made in a non-customary manner (that is, from a non-customary supplier or in a non-customary quantity) when you know that you will be making future purchases in a customary manner. If your first purchase is of this type you must find out and use in figuring your ceiling price, what the net cost would be of a purchase from a type of supplier usually used for a similar item and of a quantity in which a similar item is usually purchased.

SEC. 6. *How you figure your ceiling prices each week, starting Monday, April 30, 1951.* Before making any sale of an item of "dry groceries" on each Monday after April 30, 1951 (or on Tuesday if Monday is a holiday and your store is closed) you must refigure your ceiling price for any item if your "net cost" of that item is different from the "net cost" on which your existing ceiling price is

based. You must follow the rules in section 4 basing your "net cost," however, on the largest single delivery of a customary quantity received by you from your customary type of supplier during the seven days preceding Monday. If you cannot determine your "largest single delivery" because you have received more than one delivery of the same quantity, use the most recent of these deliveries.

SEC. 7. *Dry groceries which you import.* This regulation shall not apply to you for sales of any dry grocery item purchased by you directly from a foreign seller or his agent for importation into the continental United States. Your ceiling price for such items shall be determined by you in accordance with General Ceiling Price Regulation or any other applicable ceiling price regulation covering the sale of the item by importers.

PERISHABLES

SEC. 8. *How and when you figure your ceiling prices for "perishables"—(a) General rule.* Your ceiling price for each item (that is for each kind, brand, variety, and grade) of "perishables" listed in Table B shall be the total of (1) the "net cost" of the largest delivery of the item to you during the seven days preceding Monday of each week plus (2) the markup given you for it in Table B.

(b) *When you must figure your ceiling prices.* By the opening of business on April 30, 1951, you must have figured your ceiling price for each item of "perishables" listed in Table B which you have in stock at that time. These ceiling prices must be checked each week after April 30, 1951, and changed on Monday of each week for any item if your "net cost" of that item has changed in the preceding 7 days. Never change your ceiling price on any day but Monday.

For items which you receive for the first time or which you have not had in stock for 7 days, you must figure and use a ceiling price at once using the net cost of that first delivery. On each Monday after that, you must treat the item as you would any other item of perishables covered under this regulation.

SEC. 9. *Directions for applying the rule for "perishables"—(a) Net cost.* To figure your ceiling price, first find the "net cost" of the largest delivery to you of the item during the 7-day period before the Monday for which you are figuring your price. If you have received more than one delivery of the same largest quantity, use the most recent of these deliveries. Your net cost will be the amount you paid your supplier less all discounts except the discount for prompt payment, plus all transportation charges you paid, which may include costs for icing, refrigeration, and ventilation, but which may not include costs for local trucking and local unloading.

(1) Your net cost must be based on purchases from a customary type of supplier delivered to your usual receiving point by a customary means of delivery. Of course, you must never figure your net cost on a purchase made at a price higher than your supplier's ceiling.

(2) Figure the net cost on the basis of the "selling unit" (for example, 1 pound), listed in Table B for the commodity group which includes the item you are pricing. Always figure net cost to the nearest half cent. (Fractions of

exactly one-quarter cent are rounded up to one-half cent and fractions of exactly three-quarters of a cent are rounded up to the next cent.)

(3) If you have an item in stock at the opening of business on April 30, 1951 but you did not receive delivery of the item during the week before, you shall, in figuring your first ceiling price for the item on April 30, 1951, base your net cost on its most recent delivery to you.

(b) *Markup.* Turn to Table B to find the markup for the item given for your group of store. Table B lists all the "perishables" covered by this regulation by commodity groups.

(c) *Ceiling price.* Next turn to Table C. Using the directions given there, you will get your ceiling price for the item.

(1) *Sales in other quantities.* You may sell an item in a quantity other than the "selling unit" given in Table B. If you sell an item in a quantity other than the "selling unit" given in Table B, you must reduce or increase your ceiling price proportionately. If figuring a price for a quantity different from the "selling unit" results in a fraction of a cent, you may charge the next higher cent.

SEC. 10. *Price which you must display.* At all times, you must have your current selling price for each item of food covered by this regulation clearly shown on the item or at or near the place in your store where the item is offered for sale. Of course, this displayed price must never exceed your ceiling price.

SEC. 11. *Indirect price increases prohibited.* You must not evade any of the provisions of this regulation or any order issued pursuant to it by any scheme, or device. You must not, as a condition of selling any particular food, require a customer to buy anything else. Any such evasion is punishable as a violation of this regulation.

You may not use an unnecessarily high "net cost" in figuring a ceiling price under this regulation. If you make such a high cost purchase, you must find out what your net cost as used in section 4 or 9 would be and use that net cost to figure your ceiling price. You may never use the net cost of a purchase from another retailer to figure a ceiling price if it results in a net cost higher than you would have if you purchased the item from your regular supplier or any other source normally available to you.

SEC. 12. *Sales slips and receipts.* If you have customarily given a purchaser a sales slip, receipt or similar evidence of purchase, you must continue to do so. Furthermore, regardless of your custom, you must give any customer who asks for it a receipt showing the date, your name and address, and quantity and name of each food item sold, and the price you charged for it.

SEC. 13. *Records.* After April 5, 1951, you must keep for one year after you receive them all your invoices, freight bills, and other records showing the price you paid and the date you received delivery of each item covered by this regulation.

You are required to show all your invoices on request of any OPS representative and to furnish on request of any OPS representative a written record of your ceiling price in effect at any particular time or times for any or all of the items covered by this regulation. You must also keep available for inspection by an OPS representative the records you used in deciding what group your store is in.

SEC. 14. Prohibitions. On and after April 30, 1951, if you sell or deliver or offer to sell or deliver at a price higher than your ceiling price fixed by this regulation or any order issued pursuant to it, or if you otherwise violate any provisions of this regulation or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950, as amended. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that Act.

SEC. 15. Notice of dollars-and-cents ceiling prices. From time to time the OPS may, by order, fix in your area or community, dollars-and-cents ceiling prices for some or all of the "dry groceries" or "perishables" under this regulation. When these dollars-and-cents prices are fixed, you may not thereafter sell at higher prices, and those orders may provide that such prices take the place of the ceiling prices which you have under this regulation. If such orders do not provide that they replace your prices under this regulation, you must continue to figure your prices under this regulation.

SEC. 16. Further provisions supplementing or explaining this regulation. From time to time, the Price Director may, by amendment, issue further provisions which will supplement the provisions of this regulation or explain the rights and duties of buyers and sellers under it. These further provisions will become part of this regulation and may be added as paragraphs to this section.

(a) Whenever an amendment adds any food product to the list of items covered in Table A, you must figure your ceiling price for that food product in accordance with sections 3, 4 and 5. However, in doing so, you shall substitute the effective date of such amendment for the date April 30, 1951, whenever it appears in sections 3, 4 and 5.

(b) Whenever an amendment changes either a commodity definition in Table A by transferring a food product from one commodity group to another or the markup for your group of retailers, you must by the opening of business on the effective date of such amendment refigure your ceiling prices for the items affected by such amendment. However in doing so, you must use as your "net cost" the same "net cost" you used in figuring the ceiling prices you had on the effective date of the amendment.

ARTICLE II—SPECIAL PRICING PROVISIONS

SEC. 17. Addition allowed for deliveries made by you to your customers. (a) If you deliver to your customers' homes or places of business any of the items covered by this regulation, you may add to the total value of the delivery, as a separate charge, 25 cents for such delivery, if the total value thereof is \$3 or more.

SEC. 18. Additions for packaging. (a) If you buy in bulk any item covered by this regulation (except spices, tea and gelatin) and then package and sell it in cardboard containers, cotton bags, transparent bags, interlined coffee bags, or Kraft bags or similar type bags, on which the name, weight and ingredients of the commodity and your name are stamped or printed and which are

packed and sealed at a place and time other than the point and time of sale, you may add to your "net cost" whichever of the following allowances applies:

(1) 2 cents for every such bag or container with a net weight of less than 2 pounds.

(2) 2½ cents for every such bag or container with a net weight of 2 pounds or more, but less than 5 pounds.

(3) 1 cent per pound for every such bag or container with a net weight of 5 pounds or more but not to exceed a total of 5 cents.

SEC. 19. Gift and holiday packages assembled by you. If you assemble, into gift or holiday packages, any food items covered by this regulation, with or without any items not covered by this regulation, you must figure your ceiling price for such package under whichever of the following paragraphs applies:

(a) For packages assembled in cardboard, wooden, or other plain containers (for example, "overseas" or "servicemen's" packages), your ceiling price will be the sum of the following, multiplied by 1.05:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your direct cost of the packaging materials used for the particular package, including the container.

(b) For packages assembled in permanent containers designed and constructed for re-use (including but not limited to trays, cedar boxes, hampers, teakwood chests, fancy baskets), your ceiling price will be the sum of the following, multiplied by 1.15:

(1) Your ceiling price for each item (or article) being packed, figured under this regulation or any other applicable ceiling price regulation. If you have no ceiling price for any item (or article), use your current selling price for that item.

(2) Your ceiling price for the container figured under the applicable ceiling price regulation. If you have no ceiling price for the container, use your direct cost for the container.

(3) Your direct cost of the packaging materials used for the particular package.

SEC. 20. Special allowance for forwarding gift package to a donee in a foreign country. If you deliver a food package directly upon order of the purchaser to a donee (other than a member of the armed forces of the United States) in a foreign country outside of the North American continent, you may add to your ceiling price an amount not to exceed 50 cents for forwarding such package, plus the actual mailing and insurance charges. This allowance may be applied only to the shipment and delivery of individual food gift packages and not of wholesale lots.

SEC. 21. Sections in Ceiling Price Regulation No. 15 which you must use if they apply to your method of doing business. Ceiling Price Regulation No. 15, which covers the same food items as this regulation, but for Groups 3 and 4 stores, contains a number of special pricing provisions which you are required to follow if you perform the operations they cover. (You may obtain a copy of Ceiling Price Regulation No. 15 from the OPS District

Office for your area.) The sections of that regulation which you must follow if they apply to you are as follows:

(a) Section 21 *How you figure your "net cost" in certain cases* (applies to you if you have items of frozen fruits, berries, or vegetables in storage for a period of 4 weeks or more; if you process smoked fish prior to offering it for sale).

(b) Section 22 *Additions for delivery from your warehouse to your store* (applies to you if your usual receiving point is a warehouse over 125 miles from your store).

(c) Section 23 *How you figure your ceiling prices for foods you "manufacture or otherwise process"* (applies to you if you manufacture or process any of the foods covered by this regulation).

(d) Section 25 *Mail Order Sales* (applies to you if you make mail order sales).

(e) Section 33 *Export Sales* (applies to you if you make export sales).

SEC. 22. How you figure ceiling prices for items if you are also a wholesaler and receive such items from a warehouse owned or controlled by you. (a) If, prior to January 1951 you owned or controlled a warehouse physically separate and apart from your retail store, and you acted as a wholesaler distributing from such warehouse, food products to independent retail stores not owned or controlled by you, and you still own or control such a warehouse, you may, in figuring your ceiling price for each item customarily obtained by you from such warehouse and sold by you from your retail store to the ultimate consumer other than commercial, industrial or institutional users, use as the basis of your "net cost," the net cost you used in figuring your ceiling prices for your wholesale sales under Ceiling Price Regulation No. 14 plus the markup allowed in that regulation for a Class 1 (retailer-owned cooperative) wholesaler. To get your ceiling prices, reduce the resulting figure to the "net cost" of a single unit and apply the markup for your group of retailer as set forth in section 4.

(b) Within 10 days after you first figure your prices in accordance with the provisions of this section, you must notify the OPS district office for your area in writing that you have so figured your prices.

SEC. 23. Special pricing provisions for manufacturers selling some commodities at retail. Any person, the larger part of whose business is the manufacturing or processing of foods, but

(a) His entire business in connection with a particular commodity consists of the purchase and resale of such commodity without materially changing its form, and

(b) The larger part of his sales of such commodity are made to ultimate consumers other than commercial, industrial or institutional users.

(c) Shall figure his ceiling prices for sales of such commodity to ultimate consumers other than commercial, industrial or institutional users in accordance with the provisions of this regulation, and shall for such purposes be considered a retailer covered by this regulation.

ARTICLE III—ADJUSTMENT PROVISIONS

SEC. 24. How certain stores, where necessary to assure an adequate supply of food in a locality, may apply for markup adjustments. (a) If your store is necessary to provide an adequate supply of

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food products in a locality; and by reason of remote location, long-term credit, short selling season, or other such unusual operating conditions, you find it impossible to operate under the mark-ups fixed by this regulation, you may apply for an adjustment of such mark-ups by filing with the OPS district office for your area two copies of a signed statement giving for your store: (1) its name and address; (2) its group under this regulation; (3) its type (for example, cash-and-carry; service, delicatessen); (4) the approximate number of its food customers; (5) the total number of stores selling food in its community; (6) its distance from the nearest store selling food and the name and address of that store; and (7) the reasons why you are unable to operate under the mark-ups fixed by this regulation.

If you have more than one store you may file one application for all your stores which meet the conditions stated above. Your application must state separately for each store the specific information this section calls for.

(b) Any Regional Office of the OPS, or such offices as may be authorized by order issued by the appropriate Regional Office, may act on all applications for adjustment under the provisions of this regulation. Applications for adjustment are governed by Price Procedural Regulation 1.

ARTICLE IV—MISCELLANEOUS PROVISIONS

SEC. 25. *How you find the "annual gross sales" of your store.* (a) To find your "annual gross sales", take your total sales for the calendar year 1950. Include all sales as shown on your books, except sales made by a restaurant operated in conjunction with your store. You can use your Federal Income Tax Return to get your gross sales for all or part of the calendar year 1950 which is covered by such return. If you own more than one store, figure the sales for each store separately, treating each as a separate retailer.

(b) If you were not in business during the entire year 1950 you must divide your total sales from the time you began operation up to April 30, 1951 by the number of weeks you were in business. This will get you your weekly average sales. Multiply this figure by 52, and the result is your "annual gross sales".

SEC. 26. *How you determine your group in certain special cases—(a) Department stores.* If you operate a department store, that is, a store in which the greater volume of sales is general merchandise and not foods, and you sell foods in a separate department or departments, you must determine your group by using only the "annual gross sales" of your food department or departments.

(b) *Stores in which more than one retailer operates.* (1) If you sell food in a retail store in which there are other food retailers, none of whom sells a complete line of the same general class of food, you must find your group by taking the combined "annual gross sales" of all the food retailers in that store. If the total "annual gross sales" of all the food retailers in that store is not readily available, you shall apply, in writing, within 30 days after the issuance of the regulation to the OPS District Office for your area, for a determination of your group, stating your own "annual gross sales" figure for the applicable year. Each District Director is authorized to act on requests covering stores located within

his district, and action taken shall be by order.

(2) If you sell foods in a retail store in which more than one retailer sells a complete line of the same general class of food, you will be considered as operating a separate retail store of your own, and you must determine your group by using only your own sales.

(c) *New stores.* If you open a retail store after April 30, 1951, you may consider yourself a Group 1 or Group 3 retailer, depending upon whether or not at that date your store is an "independent" store, and you must figure your ceiling prices accordingly. (If you are a Group 3 store, you must figure your ceiling prices under Ceiling Price Regulation No. 15.) However, after you have been in business for 3 months you must determine again what group your store is in. To do this, take your total sales for the 3-month period and multiply by 4. Use the result as your "annual gross sales" in determining the group in which your store belongs.

Furthermore, if by reason of the new store you are now one of four or more stores under one ownership, you must at the end of the three-month period refigure the combined "annual gross sales" for all your stores. If the combined "annual gross sales" are \$750,000 or more, all of your stores must then be considered as Group 3 or Group 4 stores. You may continue to use the existing ceiling prices in each store until the second Monday following the end of the 3 month period, by which time you must have refigured all of your ceiling prices in each store, using the markups for its proper group.

If you find that only the new store should now be in another group, you may continue to use the Group 1 mark-ups until the second Monday following the end of the 3-month period, by which time you must have refigured all your ceiling prices using the mark-ups for your new group in which this store falls. You shall use as your "net cost" the same "net cost" which you would have used in refiguring your ceiling prices on that Monday. If, under that section, you would not have been required to refigure your ceiling price for any item on that Monday, you shall use as your "net cost" for that item the same "net cost" on which your existing ceiling price at that time is based.

SEC. 27. *Taxes.* You may collect, in addition to your ceiling price, any tax upon or incident to a sale at retail of food covered by this regulation if you state the tax separately, and if the statute or ordinance does not prohibit sellers from stating and collecting the tax separately from the price.

SEC. 28. *Transfer of business and stock in trade.* If, after April 30, 1951, you acquire in any way the business assets, and stock in trade of any retail store covered by this regulation and you carry on the business, or continue to deal in the same type of food products in that same store, your ceiling prices shall be the same as those of the former owner as if no transfer had taken place. You must keep all the records needed to verify your ceiling prices. The former owner must either preserve and make available to you, or give you, all the records of his transactions before you acquire the store which you need to comply with the record provisions of this regulation.

If the transfer changes the business from one group of retail stores to an-

other, your ceiling prices shall be those for the group of retailer to which you belong under this regulation.

SEC. 29. *Relation to other regulations.* The provisions of this Ceiling Price Regulation No. 16, except as otherwise provided in this regulation, shall, on and after April 30, 1951, supersede the provisions of the General Ceiling Price Regulation, and any other price regulation or order issued by the OPS with respect to sales and deliveries for which ceiling prices are established by this regulation.

SEC. 30. *Definitions.* (a) *Retail route seller.* A "retail route seller" is a retailer who distributes food products to ultimate consumers who are not commercial, industrial or institutional users, either on a future delivery basis or otherwise, from an inventory stocked in trucks or other conveyances operated by driver-salesmen over regular routes. A retailer, most of whose business is the personal solicitation of orders by salesmen calling at the homes or places of business of ultimate consumers, who are not commercial, industrial or institutional users, shall also be considered a retail route seller. A retailer is a "retail route seller" only of the food products he sells in this way.

(b) *Health food stores.* A "health food store" or "health food department" is one whose sales to consumers consists principally of "specially prepared dietetic foods." For the purpose of this regulation a "health food department" is a separate and distinct department operated by separate and specially trained personnel and for which separate records and accounts are maintained. "Specially prepared dietetic foods" are foods manufactured and sold for restricted diets and for special dietetic purposes, including but not limited to, specially prepared foods for diabetic or arthritic conditions, or high blood pressure; specially prepared weight building or tonic foods; and vitamin or mineral supplements.

(c) *Delivery.* Delivery to you of an item covered by this regulation shall be considered to have occurred when the item has been received by you at your usual receiving point.

(d) *Usual receiving point.* Your usual receiving point will be either your retail store or your warehouse from which you supply your retail stores, depending upon where you normally receive the particular item you are pricing under this regulation.

(e) *Item.* You must determine a separate ceiling price for each item; that is, for each kind, brand, size, variety, grade, container-type, and container-size.

(f) *Manufacture or otherwise process.* "Manufacture or otherwise process" shall mean blending, freezing, canning, preserving, bottling, milling, crushing, straining, roasting, centrifuging, cooking, distilling, purifying with heat, printing of butter, and other similar operations, and packaging of spices, tea and gelatin.

Packaging as used in section 18 shall not be considered manufacturing or processing under this regulation.

(g) *Group 3 retailer.* A retailer is in Group 3 if he has an "annual gross sales" of less than \$375,000 and he is not an "independent" retailer.

(h) *Group 4 retailer.* A retailer is in Group 4 whether "independent" or not, if he has an "annual gross sales" of \$375,000 or more.

(1) *Great Lakes marine supplier.* A "Great Lakes marine supplier" means a person operating a selling establishment which buys and resells food products for the most part to "operators of a lake vessel or vessels," for consumption aboard such vessel or vessels, with delivery from shore locations by use of truck or launch facilities. "Operator of a lake vessel or vessels" means any person who owns or operates a lake vessel or vessels, other than passenger boats, engaged in shipping upon the Great Lakes, and who in operating such vessels purchases or receives food products covered by this regulation from a Great Lakes marine supplier for consumption aboard such vessels.

SEC. 31. *Geographical applicability.* The provisions of this regulation shall apply to the 48 States of the United States and to the District of Columbia.

ARTICLE V—TABLES

SEC. 32. *Table of markups for "dry groceries" (Table A)—(a) Table A: Markups over "net cost" allowed to Group 1 and Group 2 retailers for dry groceries covered by this regulation by commodities.*

TABLE A—MARK-UPS OVER "NET COST" ALLOWED TO GROUP 1 AND GROUP 2 RETAILERS FOR DRY GROCERIES COVERED BY THIS REGULATION BY COMMODITIES

		Allowed mark-ups over "net cost," independent retailers with annual volumes	
		Group 1	Group 2
		Under \$75,000	\$75,000 or more but less than \$375,000
<i>Food commodities</i>			
	Percent	Percent	Percent
1. Baby foods	25	23	23
2. Cereals, breakfast	22	20	20
3. Cocoa, chocolate, and cereal drink preparations	29	29	29
4. Coffee	17	17	17
5. Cookies, crackers, toast and crumbs	25	25	25
6. Corn meal, hominy, and flour mixes	29	29	29
7. Dog and cat foods	27	27	27
8. Fish, processed	27	27	27
9. Flour	27	27	27
10. Frozen foods	27	27	27
11. Fruits, berries and fruit juices (canned) except fruit cocktail, pineapple, peaches and pears	26	26	26
12. Fruit cocktail, pineapple, peaches and pears (canned) except juices	25	23	23
13. Fruits, dried and dehydrated	27	25	25
14. Gelatin and pudding mixtures	28	25	25
15. Jams, jellies, preserves, honey, and peanut butter	32	32	32
16. Lard, pure	20	18	18
17. Macaroni and spaghetti products	32	32	32
18. Mayonnaise and salad dressing	24	24	24
19. Meat, canned	21	21	21
20. Milk, canned	20	20	20
21. Oils, cooking and salad	28	28	28
22. Oleomargarine	17	15	15
23. Pickles and relishes	32	32	32
24. Rice	28	28	28
25. Shortening, hydrogenated	9	9	9
26. Shortening, other	18	18	18
27. Soups, canned	27	26	26
28. Soups, dehydrated	34	34	34
29. Spices	46	46	46
30. Syrups	28	28	28
31. Tea	26	26	26
32. Vegetables and vegetable juices (canned) except corn, green beans, peas, tomatoes and tomato juice (canned)	81	31	31
33. Corn, green beans, peas, tomatoes and tomato juice (canned)	25	23	23
34. Vegetables, dried and dehydrated	36	36	36
35. Vinegar	39	34	34
36. Miscellaneous foods	40	40	40

(b) *Commodity definitions.* These definitions apply to both domestic and imported items.

(1) "Baby foods" means "baby" or "junior" cereals, fruits, vegetables, meats, puddings, soups, and mixtures thereof packed in hermetically sealed containers. Excluded are dry baby cereals.

(2) "Cereals, breakfast" means bulk or packaged cereal items of any size commonly used as breakfast foods, both uncooked and ready-to-eat types including but not limited to, bran flakes, farina, popped rice, and rolled oats. Excluded are barley, corn meal, corn grits, hominy grits and flakes, rice, wheat bran flour, wheat germ and dry baby cereal. Also excluded are cereals mixed or coated with a confection, in the proportion of two thirds or more confection to one third cereal by weight.

(3) "Cocoa, chocolate, and cereal-drink preparations" includes, but is not limited to, coffee substitutes or extenders, chicory, malted milk preparations containing less than 35 percent malted milk, chocolate syrup packed in consumer sizes, chocolate bits, and cooking chocolate and packaged powdered skim milk (spray process). Excluded are chocolate confections, bittersweet bars, milk chocolate, chocolate syrup packed in No. 10 tins or larger or one gallon containers or larger, powdered whole milks, powdered skim milk packaged in tin in inert gas, malted milk and any preparation containing 35 percent or more malted milk.

(4) "Coffee" means roasted coffee, whole or ground, decaffeinated coffee, coffee concentrates, and any mixtures of coffee with other products for beverage purposes. Excluded is frozen coffee concentrate.

(5) "Cookies, crackers, toast, and crumbs" includes, but is not limited to biscuits, Christmas cookies, fig crackers, graham crackers, pretzels, rye crackers, zwieback, melba toast, bread crumbs, cracker crumbs, cookies, matzo, matzo meal, and related matzo products. Excluded are bread, pies, cakes, doughnuts, coffee cakes, rolls, candies, Passover matzo, Passover matzo meal, related Passover products, and any bakery products which you manufacture. Also excluded are any items which are bought by you in bulk and sold loose.

(6) "Corn meal, hominy and flour mixes" means bulk or packaged corn meal, corn grits, hominy, hominy grits, hominy flakes, prepared hominy and bulk or packaged flour mixes milled from wheat, seminola, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, prepared pancake, biscuit, pie crust and gingerbread mix. Excluded is canned hominy which is in "vegetables and vegetable juices, canned."

(7) "Dog and cat food" shall not include any item prepared by you for pet food, or any frozen dog or cat food.

(8) "Fish, processed" includes canned fish, canned seafood, and salted, pickled, smoked, dried or otherwise processed fish, such as fish cakes. Excluded are fresh or frozen fish, fresh or frozen seafood, frozen food products in which fish or seafood are combined with other ingredients, anchovies, anchovy paste, caviar, clams, crab meat, clam juice, kippered herring, lobster, lobster bisque, oysters, oyster puree and fish roe.

(9) "Flour" means bulk or packaged (in any size) flour milled from wheat,

semolina, farina, buckwheat, corn, rice, and potatoes, including, but not limited to, all-purpose family flour, cake flour, enriched flour, but excluding all flour mixes.

(10) "Frozen foods" means packaged quick-frozen or cold-packed foods sold from refrigerated cabinets or lockers, including but not limited to all fruits, berries, fruit or berry juices, and mixtures (except any of the foregoing in containers of a capacity of more than 50 pounds), vegetables, vegetable juices, and mixtures, including mushrooms, dog and cat food not prepared by you for pet food, applesauce, macaroni and spaghetti products, chop suey, chow mein, gravies, pork-and-beans, soups, food products in which meat, chicken, turkey, fish or seafood are combined with other ingredients, meat stews, and corned beef hash, frozen instant coffee, concentrated frozen fresh milk, and frozen meat pies. Excluded are frozen pies and pastries, frozen meat, poultry, fish and seafood, ice cream, sherbert, and frozen confections.

(11) "Fruits, berries and fruit juices, canned" includes, but is not limited to, apple sauce, apple cider, berry juices, concentrated fruit juices, citrus fruits and juices, cranberry jelly and sauce, fountain fruits, maraschino cherries, fruit nectars, bulk apple cider, fruits for salad, pineapple juice and non-carbonated liquid fruit beverages such as grape-ade, lemonade, and orangeade. Excluded are apple butter, fruit butters, jams, jellies, fruit preserves, cocoanut, olives, baby foods, dried fruits, dehydrated fruits, fruit cocktail, pineapple (except pineapple juice), peaches, pears, and frozen fruits.

(12) "Fruit cocktail, pineapple, peaches and pears (canned) except juices." Excluded are fruits for salad and frozen fruits. "Canned" means processed and packaged in any container, whether or not hermetically sealed.

(13) "Fruits dried and dehydrated" (packaged or bulk) includes, but is not limited to, stuffed dried fruits, dried dates and figs, pitted dates and macerated dates. Excluded are fruit confections, candied or glazed fruits, and peels, fresh dates and date products.

(14) "Gelatin and pudding mixtures" includes, but is not limited to, gelatin, gelatin desserts, tapioca, arrowroot, consumer ice cream mixes, and rennet.

(15) "Jams, jellies, preserves, honey, and peanut butter" includes, but is not limited to, tomato preserves, marmalade, fruit preserves, fruit butters, smooth or crunch-type nut butters, honey butter and all extracted honey (including combinations of extracted and comb honey) packaged in containers of a capacity of 15 pounds or less. Excluded are cranberry jelly or sauce.

(16) "Lard, pure" (packaged or bulk) includes, but is not limited to, rendered pork fat. Excluded are lard compounds which are classed as "shortenings, other."

(17) "Macaroni and spaghetti products" includes, but is not limited to, bows, egg alphabets, macaroni, spaghetti, vermicelli, "sea shells," noodles, macaroni dinners, spaghetti dinners, canned macaroni and canned spaghetti. Excluded are meat ravioli, tamales, dry noodle soup mixtures, spaghetti-and-meat-balls, chicken-and-noodles, Chinese-style noodles, and frozen macaroni and spaghetti products.

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(18) "Mayonnaise and salad dressing" includes, but is not limited to, tartar sauce, relish spreads, other mayonnaise spreads, and French dressing. Excluded are olive oil and meat spreads.

(19) "Meat canned" includes, but is not limited to, canned or glass chicken products, canned or glass turkey products, chicken and noodles, meat gravy, meat ravioli, pickled meats, luncheon meats, chili con carne, meat spreads and spaghetti and meat balls. Excluded are chicken-a-la-king, lamb tongue, pigs feet, scrapple, stews, tamales, tripe, veal loaf, mincemeat, liver spread, deviled tongue, lunch tongue, and any canned meat which is removed from the can by the retailer and sold sliced in smaller amounts, frozen food products in which meat, chicken and turkey, are combined with other ingredients, frozen meat gravies and frozen meat stews and pies.

(20) "Milk, canned" means evaporated or condensed cow milk, including, but not limited to, filled evaporated milk products. Excluded are fresh milk, cream, powdered milks, and goat milk.

(21) "Oils, cooking and salad" means all vegetable, fruit leaf plant oils, cooking fats other than lard and shortening. Excluded are olive oil, prepared dressings and spice oils.

(22) "Oleomargarine" means any product labeled "Oleomargarine."

(23) "Pickles and relishes" (packaged) includes, but is not limited to chow chow, pickled fruits, pickled onions, pickled peppers, pickled relishes, pickled rind and pickled vegetables. Excluded are mayonnaise relish spreads, tartar sauce and bulk pickles.

(24) "Rice" packaged or bulk, means all rice (including second heads) of the grades defined by the Department of Agriculture bulletin of Standards for Milled Rice (effective Sept. 4, 1946). Excluded are rice flour, rice flakes, popped rice, wild rice, canned Spanish rice, and screenings and brewers' rice graded as Class XIII and Class XIV, respectively, by the above mentioned bulletin.

(25) "Shortening, hydrogenated" means all fully hydrogenated shortenings.

(26) "Shortening, other" means shortenings other than fully hydrogenated shortening. Excluded are butter, lard, oleomargarine and suet.

(27) "Soups, canned" includes all soups, broths and chowder. Excluded are meat stews, "baby" or "junior" soups, dehydrated soups, and frozen soups.

(28) "Soups, dehydrated" means dry mixtures sold for soup-making, including, but not limited to, bouillon concentrates, and dry noodle soup mixtures. Excluded are other macaroni or noodle products, lentils, and dried peas.

(29) "Spices" includes, but is not limited to, bay leaves, caraway seed, dried peppers, dry chili, celery seed, celery salt, celery flakes, chili powder, garlic, garlic salt, dry mustard, onion salt, onion flakes, poultry seasoning, poppy seed, seasoned salt, sesame seed, thyme, and cream of tartar. Excluded are table salt, spice oils, candied ginger, raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States, and wooden or other type trays designed as permanent kitchen furniture consisting of sets of assorted spices.

(30) "Syrups" means all malt, molasses, cane, maple, and corn syrups, and

imitations or blends. Excluded are chocolate and ice cream sundae syrups, fruit syrups for making beverages, molasses sold for feed purposes, sorghum syrup and unmixed corn syrup.

(31) "Tea" includes all bulk or packaged tea, tea bags, and matte. Excluded are sales of tea in containers of the customary unit and weight in which they are imported into the United States.

(32) "Vegetables and vegetable juices, canned" includes, but is not limited to, blackeye, crowder, cream and field peas, baked beans, wax beans, sauerkraut, rhubarb, chili sauce, cocktail sauce, canned hominy, mushrooms, mushroom sauce, tomato catsup, tomato paste, tomato puree, pimientos, and Chinese-style foods, including soy sauce and brown sauce. "Canned" means processed and packaged in any container, whether or not hermetically sealed. Excluded are vegetable soups, "baby" or "junior" foods, pickles, corn, green beans, peas (except canned blackeye, crowder, cream and field peas), tomatoes, tomato juice, and frozen vegetables.

(33) "Corn, green beans, peas, tomatoes, and tomato juice (canned)." Excluded are frozen vegetables and canned blackeye, crowder, cream and field peas, and wax beans. "Canned" means processed and packaged in any container whether or not hermetically sealed.

(34) "Vegetables, dried and dehydrated" (packaged or bulk) includes, but is not limited to, dried beans, blackeye peas, dried mushrooms, dried peas, and lentils. Excluded are dry soup mixes, hominy, garlic, celery flakes, onion flakes, dried chili, and dried peppers.

(35) "Vinegar" (bottled or bulk), includes, but is not limited to, pure cider vinegar, distilled vinegar, malt vinegar, wine vinegar, and tarragon vinegar.

(36) "Miscellaneous foods" shall include all other dry grocery items except those specifically excluded in paragraph (c) of this section. Among the items included under this heading are the following:

Anchovies (canned).
Anchovy paste (canned).
Baking powder.
Baking soda.
Barley (pearl).
Brown bread and date and nut bread (canned).
Brewers yeast in consumer size package not to exceed 2 pounds.
Caviar (canned).
Cherry juice (canned).
Chicken-a-la-king (canned).
Clams (canned).
Clam juice (canned).
Cocoanut, shredded, desiccated, or moist.
"Cookies, crackers, toast and crumbs" bought by you in bulk and sold loose.
Corn starch, edible or gloss packaged in containers of 10 pounds or less (excluded are powdered prepared laundry starching compounds).
Crab meat (canned).
Cranberry juice (canned).
Date products.
Deviled tongue (canned).
Egg nog (nonalcoholic) bottled.
Extracts.
Fish roe (canned).
Flavorings.
Food colorings.
French fried onions (canned).
Fruit pectins.
Fruit syrups for making beverages (excluded are fruit syrups used by rectifiers, blenders, restaurants and bars for mixing alcoholic mixed drinks).
Gift or holiday packages bought assembled, and containing one or more items covered by this regulation.
Glazed or candied fruits and peels.

Ice cream sundae syrups, including chocolate syrup packed in No. 10 tins or larger or 1-gallon containers or larger.
Kippered herring (canned).
Liver spread (canned).
Lobster (canned).
Lobster bisque (canned).
Loganberry juice (canned).
Lunch tongue (canned).
Macaroni salad (canned).
Meat flavorings.
Meat sauces, except catsup, cocktail sauce, and chili sauce.
Mincemeat.
Mustard, prepared.
Olives.
Olive oil, pure (packaged in containers of less than $\frac{1}{2}$ gallon).
Oysters (canned).
Oyster puree (canned).
Pickles, bulk.
Pie filling.
Pigs feet (canned).
Popcorn, not popped.
Potato salad (canned).
Potatoes, julienne (canned).
Potatoes, shoestring (canned).
Pudding, date.
Pudding, fig.
Pudding, plum.
Scapple (canned).
Spanish rice (canned).
Stews (canned).
Table salt packaged in cartons, bags or packets containing 100 pounds or less, Kosher salt in cartons and salt packaged in container of 10 pounds or less and labeled by the manufacturer as ice cream salt (excluded are onion, celery or garlic salt and meat-curing or smoked salt).
Spice oils.
Tamales (canned).
Tomato aspic (canned).
Tom and Jerry batter, bottled.
Tripe (canned).
Veal load (canned).
Yeast.

(c) *Commodities not included in this regulation.* Excluded from this regulation are:

Baked beans, prepared by the retailer.
Baked goods, fresh (except cookies, crackers, toast and crumbs).
Beer.
Bird seed and gravel.
Bread.
Buttermilk, fresh.
Candied ginger.
Candy.
Capers.
Cereals mixed or coated with a confection in the proportion of $\frac{1}{3}$ or more confection to $\frac{1}{3}$ cereal by weight.
Cheese, bulk, all types.
Comb honey.
Corn starch, edible or gloss (packaged in containers of more than 10 pounds).
Corn syrup, unmixed.
Corn sugar.
Cream.
Dry baby cereals.
Eggs.
Feed, animal or poultry (other than pet food).
Fresh fruits and vegetables.
Goat milk (canned).
Green coffee in containers of the customary unit and weight in which they are imported into the United States.
Frozen fish and seafood.
Frozen fruits, berries, fruit or berry juices and mixtures in containers of a capacity of more than 50 pounds.
Fruit cake.
Fruit and vegetable powders for making beverages.
Ice cream cones.
Ice cream, sherbets, and frozen confections.
Laundry starching compounds, powdered prepared.
Liquors.
Malted milk and any preparation containing 35 percent or more malted milk.
Maple sugar.
Meat and fish (except "fish, processed," and "meat, canned").
Milk, fresh.

Whole milk, powdered, and powdered skim milk packaged in tin in an inert gas. Mineral oil. Molasses sold for feeding purposes. Nuts.

Olive oil, pure (packaged in containers of a capacity of 1 gallon or more). Passover matzo, Passover matzo meal, and related Passover matzo products. Pate de foie gras (canned).

Peanuts. Pet foods (except cat and dog foods or any frozen cat or dog foods). Pheasant pate (canned). Popcorn, popped.

Potato chips. Poultry, other than canned or bottled. Powdered skim milk, bulk. Rattlesnake meat (canned).

Raw spices and spice seeds in containers of the customary unit and weight in which they are imported into the United States. Salads and relishes prepared by the retailer. Salt not covered by section 32 (b) (36). Soft drinks.

Sorghum syrup. Snails (canned). Spices in assorted sets contained in wooden or other type trays designed as permanent kitchen furniture.

Sugar, cane or beet. Tamales, bulk. Tea in containers of the customary unit and weight in which they are imported into the United States. Tortillas. Truffles. Vitamin concentrates. Wheat germ. Wild rice and screenings and brewers' rice. Wine.

SEC. 33. Table of mark-ups for "perishables" (Table B)—(a) Table B: Mark-ups over "net costs" allowed to Group 1 and Group 2 retailers for "perishables" covered by this regulation by commodities.

TABLE B

[Mark-ups over "net costs" allowed to Group 1 and Group 2 retailers for perishables covered by this regulation by commodities]

		Allowed mark-ups over "net cost"		"Selling unit" in which ceiling price must be calculated	
		Independent retailers with annual volumes			
Group 1	Group 2	Under \$75,000	\$75,000 but less than \$375,000		
<i>Food commodities</i>					
(1) Dairy products:					
Butter		Percent	Percent		
Cheese		10 27	10 27	1 pound. 1-pound or 1 package.	

(b) *Commodity definitions.* These definitions apply to both domestic and imported items.

(1) *Dairy products.* "Butter" (packaged or bulk) means only butter from milk, including but not limited to, processed, salted, unsalted, and whipped butter. Excluded are peanut, nut, fruit, or honey butters.

"Cheese" shall include all packaged cheese, cheese spreads and cheese foods purchased packaged. Excluded are all types of bulk cheese.

SEC. 34. Table of ceiling prices based on any given "net cost" and mark-up (Table C)—(a) Table C: Retail ceiling prices obtained by applying any given percentage mark-up to any given net cost.

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST

ITEMS WITH A "NET COST" OF FROM $\frac{1}{2}$ ¢ TO 10¢ PER UNIT

Net cost (per unit)	1/2¢	1¢	1 1/2¢	2¢	2 1/2¢	3¢	3 1/2¢	4¢	4 1/2¢	5¢	5 1/2¢	6¢	6 1/2¢	7¢	7 1/2¢	8¢	8 1/2¢	9¢	9 1/2¢	10¢
Mark-up (percent)	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	
6	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
7	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
8	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
9	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
10	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
11	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
12	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
13	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
14	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
15	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
16	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
17	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
18	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
19	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
20	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
21	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
22	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
23	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
24	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
25	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
26	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
27	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
28	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
29	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
30	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
31	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
32	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
33	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
34	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
35	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
36	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
37	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
38	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
39	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
40	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
41	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
42	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
43	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
44	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
45	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
46	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
47	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
48	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
49	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	
50	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	

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TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 10½¢ TO 18¢ PER UNIT

Net cost (per unit)	10½¢	11¢	11½¢	12¢	12½¢	13¢	13½¢	14¢	14½¢	15¢	15½¢	16¢	16½¢	17¢	17½¢	18¢
Mark-up (percent):	Cents															
6	11	12	12	13	13	14	14	15	15	16	16	17	17	18	19	19
7	11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19
8	11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19
9	11	12	12	13	13	14	14	15	16	16	17	17	18	19	19	20
10	12	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20
11	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19	20
12	12	12	13	13	14	14	15	16	16	17	17	18	18	19	19	20
13	12	12	13	14	14	15	15	16	16	17	17	18	18	19	19	20
14	12	13	13	14	14	15	15	16	17	17	18	18	19	19	20	21
15	12	13	13	14	14	15	16	16	17	17	18	18	19	20	21	21
16	12	13	13	14	14	15	16	16	17	17	18	19	19	20	21	21
17	12	13	13	14	14	15	16	16	17	18	18	19	19	20	21	21
18	12	13	14	14	15	15	16	17	17	18	18	19	19	20	21	21
19	12	13	14	14	15	15	16	17	17	18	18	19	19	20	21	21
20	13	13	14	14	15	15	16	17	17	18	18	19	19	20	21	21
21	13	13	14	15	15	16	16	17	18	18	19	19	20	21	21	22
22	13	13	14	15	15	16	16	17	18	18	19	19	20	21	21	22
23	13	14	14	15	15	16	17	17	18	18	19	19	20	20	21	22
24	13	14	14	15	16	16	17	17	18	19	19	20	20	21	22	22
25	13	14	14	15	16	16	17	18	18	19	19	20	20	21	21	23
26	13	14	14	15	16	16	17	18	18	19	19	20	20	21	21	23
27	13	14	15	15	16	17	17	18	18	19	19	20	20	21	22	22
28	13	14	15	15	16	17	17	18	18	19	19	20	20	21	22	23
29	14	14	15	15	16	17	17	18	18	19	19	20	20	21	22	23
30	14	14	15	15	16	16	17	18	18	19	19	20	20	21	22	23
31	14	14	15	15	16	16	17	18	18	19	19	20	20	21	22	23
32	14	15	15	16	16	17	17	18	18	19	19	20	20	21	22	24
33	14	15	15	16	16	17	17	18	19	19	20	20	21	21	23	24
34	14	15	15	16	16	17	17	18	19	19	20	20	21	21	23	24
35	14	15	15	16	16	17	17	18	18	19	19	20	20	21	23	24
36	14	15	16	16	17	17	18	18	19	19	20	20	21	22	23	24
37	14	15	16	16	17	17	18	18	19	19	20	20	21	22	23	24
38	14	15	16	17	17	18	18	19	19	20	20	21	22	23	23	25
39	15	15	16	17	17	18	18	19	19	20	20	21	22	22	24	25
40	15	15	16	17	18	18	19	19	20	20	21	22	22	23	24	25
41	15	16	16	17	18	18	19	19	20	20	21	22	22	23	24	25
42	15	16	16	17	18	18	19	19	20	21	21	22	22	23	24	26
43	15	16	16	17	18	18	19	19	20	21	21	22	22	23	24	26
44	15	16	16	17	18	18	19	19	20	21	21	22	22	23	24	26
45	15	16	17	17	18	19	20	20	20	21	22	22	23	24	25	26
46	15	16	17	18	18	19	20	20	21	21	22	22	23	24	25	26
47	15	16	17	18	18	19	20	21	21	22	22	23	24	24	25	27
48	16	16	17	18	19	19	20	21	21	22	22	23	24	24	25	27
49	16	16	17	18	19	19	20	21	21	22	22	23	24	25	25	27
50	16	17	17	18	19	20	20	21	22	23	23	24	25	26	26	27

ITEMS WITH A "NET COST" OF FROM 18½¢ TO 28¢ PER UNIT

Net cost (per unit)	18½¢	19¢	19½¢	20¢	20½¢	21¢	21½¢	22¢	22½¢	23¢	23½¢	24¢	24½¢	25¢	25½¢	26¢
Mark-up (percent):	Cents															
6	20	20	21	21	22	22	23	24	24	25	25	26	26	27	28	28
7	20	20	21	21	22	22	23	24	24	25	25	26	27	27	28	28
8	20	21	21	22	22	23	23	24	24	25	25	26	27	27	28	28
9	20	21	21	22	22	23	23	24	25	25	26	27	27	28	28	28
10	20	21	21	22	22	23	23	24	25	25	26	27	27	28	28	28
11	21	21	22	22	23	23	24	24	25	26	26	27	27	28	28	29
12	21	21	22	22	23	23	24	25	25	26	26	27	27	28	28	29
13	21	21	22	23	23	24	24	25	25	26	26	27	27	28	28	29
14	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29	30
15	21	22	22	23	23	24	24	25	25	26	26	27	27	28	29	30
16	21	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30
17	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30
18	22	22	23	24	24	25	25	26	26	27	27	28	28	29	29	30
19	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30	31
20	22	23	23	24	24	25	25	26	26	27	27	28	28	29	30	31
21	22	23	24	24	25	25	26	26	27	27	28	28	29	29	30	31
22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	32
23	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	32
24	23	24	24	25	25	26	26	27	27	28	28	29	29	30	31	32
25	24	24	25	25	26	26	27	27	28	28	29	29	30	31	31	33
26	24	24	25	25	26	26	27	27	28	28	29	29	30	31	31	33
27	24	24	25	25	26	26	27	27	28	28	29	29	30	31	32	33
28	24	24	25	26	26	27	27	28	28	29	29	30	30	31	32	33
29	24	25	25	26	26	27	27	28	28	29	29	30	30	31	32	34
30	24	25	25	26	26	27	27	28	28	29	29	30	30	31	32	34
31	24	25	26	26	27	27	28	28	29	29	30	30	31	31	32	34
32	24	25	26	26	27	27	28	28	29	29	30	30	31	32	33	34
33	25	25	26	26	27	27	28	28	29	29	30	30	31	32	33	35
34	25	25	26	26	27	27	28	28	29	29	30	30	31	32	33	35
35	25	26	26	27	27	28	28	29	29	30	30	31	32	33	34	35
36	25	26	26	27	27	28	28	29	29	30	30	31	32	33	34	35
37	25	26	27	27	28	28	29	29	30	30	31	32	33	34	35	36
38	26	26	27	28	28	29	29	30	30	31						

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 26½¢ TO 34¢ PER UNIT

Net cost (per unit)	26½¢	27¢	27½¢	28¢	28½¢	29¢	29½¢	30¢	30½¢	31¢	31½¢	32¢	32½¢	33¢	33½¢	34¢
Mark-up (percent):	Cents															
6	28	29	29	30	30	31	31	32	32	33	33	34	34	35	35	36
7	29	30	30	30	30	31	32	32	33	33	34	34	35	35	36	36
8	29	30	30	30	30	31	31	32	32	33	34	34	35	35	36	37
9	29	30	30	30	30	31	31	32	32	33	34	34	35	35	36	37
10	29	30	30	30	30	31	31	32	32	33	34	34	35	35	36	37
11	29	30	30	30	30	31	31	32	32	33	34	34	35	35	36	37
12	30	30	31	31	31	32	32	33	33	34	34	35	35	36	37	38
13	30	31	31	32	32	33	33	34	34	34	35	35	36	36	37	38
14	30	31	31	32	32	33	33	34	34	34	35	35	36	36	37	38
15	30	31	32	32	32	33	33	34	34	35	35	36	36	37	38	39
16	31	31	32	32	32	33	33	34	34	35	35	36	37	37	38	39
17	31	32	32	33	33	34	34	35	35	36	36	37	37	38	39	40
18	31	32	32	33	33	34	34	35	35	36	36	37	37	38	39	40
19	32	32	33	33	33	34	34	35	35	36	36	37	37	38	39	40
20	32	32	33	33	33	34	34	35	35	36	36	37	37	38	39	40
21	32	33	33	34	34	35	35	36	36	37	37	38	38	39	39	41
22	32	33	34	34	34	35	35	36	36	37	37	38	38	39	40	41
23	33	33	34	34	34	35	35	36	36	37	37	38	38	39	41	42
24	33	33	34	34	34	35	35	36	36	37	37	38	38	39	40	42
25	33	34	34	35	35	36	36	37	37	38	38	39	39	41	41	42
26	33	34	35	35	35	36	36	37	37	38	38	39	40	41	42	43
27	34	34	35	36	36	37	37	38	38	39	39	40	40	41	42	43
28	34	35	35	36	36	37	37	38	38	39	39	40	40	41	42	44
29	34	35	35	36	36	37	37	38	38	39	39	40	41	42	43	44
30	34	35	36	36	36	37	38	38	39	39	40	40	41	42	43	44
31	35	35	36	37	37	38	38	39	39	40	41	41	42	43	43	45
32	35	36	36	37	37	38	38	39	39	40	40	41	42	43	44	45
33	35	36	37	37	37	38	38	39	39	40	41	41	42	43	44	45
34	36	36	37	38	38	38	39	40	40	41	41	42	42	43	44	46
35	36	36	37	38	38	38	39	40	40	41	41	42	43	44	45	46
36	36	37	37	38	38	38	39	40	40	41	41	42	43	44	45	46
37	36	37	38	38	38	39	39	40	40	41	41	42	43	44	45	47
38	37	37	38	38	39	39	40	40	41	41	42	43	44	45	46	47
39	37	38	38	39	39	40	40	41	41	42	42	43	44	45	46	47
40	37	38	39	39	39	40	40	41	41	42	42	43	44	45	46	47
41	37	38	39	39	39	40	40	41	41	42	42	43	44	45	46	48
42	38	38	39	39	40	40	41	41	42	42	43	43	44	45	46	48
43	38	39	39	40	40	41	41	42	42	43	43	44	44	45	46	49
44	38	39	40	40	40	41	41	42	42	43	43	44	44	45	46	49
45	38	39	40	40	41	41	42	42	43	44	44	45	46	47	48	49
46	39	39	40	40	41	41	42	42	43	44	44	45	46	47	48	50
47	39	40	40	41	41	42	42	43	43	44	44	45	46	47	48	49
48	39	40	41	41	42	42	43	44	44	45	45	46	47	48	49	50
49	39	40	41	41	42	42	43	44	44	45	45	46	47	48	49	51
50	40	41	41	42	42	43	44	44	45	46	47	47	48	49	50	51

ITEMS WITH A "NET COST" OF FROM 34½¢ TO 42¢ PER UNIT

Net cost (per unit)	34½¢	35¢	35½¢	36¢	36½¢	37¢	37½¢	38¢	38½¢	39¢	39½¢	40¢	40½¢	41¢	41½¢	42¢
Mark-up (percent):	Cents															
6	37	37	38	38	39	39	40	40	41	41	42	42	43	43	44	45
7	37	37	38	39	39	40	41	41	42	42	43	43	44	44	45	45
8	37	38	38	39	39	40	41	41	42	42	43	43	44	44	45	45
9	38	38	39	39	39	40	40	41	41	42	42	43	43	44	45	46
10	38	39	39	40	40	40	41	41	42	42	43	43	44	45	45	46
11	38	39	39	40	40	41	41	42	42	43	43	44	44	45	46	47
12	39	39	40	40	41	41	42	42	43	43	44	44	45	45	46	47
13	39	40	40	41	41	41	42	42	43	43	44	44	45	46	47	47
14	39	40	40	41	41	42	42	43	43	44	44	45	45	46	47	48
15	40	40	41	41	41	42	42	43	43	44	44	45	45	46	47	48
16	40	41	41	42	42	43	43	44	44	45	45	46	46	47	48	49
17	40	41	42	42	42	43	43	44	44	45	45	46	46	47	48	49
18	41	41	42	42	42	43	44	44	45	45	46	46	47	47	48	50
19	41	42	42	43	43	44	44	45	45	46	46	47	48	48	49	50
20	41	42	43	43	44	44	45	45	46	46	47	47	48	49	50	50
21	42	42	43	44	44	45	45	46	46	47	47	48	48	49	50	51
22	42	43	43	44	44	45	45	46	46	47	47	48	48	49	50	51
23	42	43	44	44	45	45	46	46	47	47	48	48	49	49	50	51
24	43	44	44	45	46	46	47	47	48	48	49	49	50	50	51	52
25	43	44	44	45	46	46	47	47	48	48	49	49	50	51	52	53
26	43	44	45	45	46	46	47	47	48	48	49	49	50	51	52	53
27	44	44	45	45	46	46	47	47	48	48	49	49	50	51	52	53
28	44	45	45	46	46	47	47	48	48	49	49	50	51	52	53	54
29	45	45	46	46	47	47	48	48	49	49	50	50	51	52	53	54
30	45	46	46	47	47	48	48	49	49	50	50	51	52	53	54	55
31	45	46	47	47	48	48	49	49	50	50	51	52	53	54	55	55
32	46	46	47	48	48	49	49	50	51	51	52	52	53	54	55	55
33	46	47	47	48	48	49	49	50	50	51	52	52	53	54	55	56
34	46	47	48	48	49	49	50	50	51	52	52	53	54	55	56	56
35	47	47	48	49	49	50	50	51	51	52	52	53	54	55	56	57
36	47	48	48	49	50	50	51	51	52	52	53	53	54	55	56	57
37	47	48	49	49	50	51	51	52	52	53	53	54	55	56	57	58
38	48	48	49	50	50											

RULES AND REGULATIONS

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued

ITEMS WITH A "NET COST" OF FROM 42½¢ TO 50¢ PER UNIT

Net cost (per unit)	42½¢	43¢	43½¢	44¢	44½¢	45¢	45½¢	46¢	46½¢	47¢	47½¢	48¢	48½¢	49¢	49½¢	50¢
Mark-up (percent)	Cents															
6	45	46	46	47	47	48	48	49	49	50	50	51	51	52	52	53
7	45	46	47	47	48	48	49	49	50	50	51	51	52	52	53	54
8	46	46	47	47	48	49	49	50	50	51	51	52	52	53	54	55
9	46	47	47	48	48	49	49	50	51	51	52	52	53	53	54	55
10	47	47	48	48	48	49	49	50	51	51	52	52	53	53	54	55
11	47	48	48	49	49	49	50	50	51	51	52	52	53	54	55	56
12	48	48	49	49	50	50	50	51	51	52	52	53	54	54	55	56
13	48	49	49	50	50	51	51	52	52	53	53	54	54	55	55	57
14	48	49	50	50	51	51	52	52	53	54	54	55	55	56	56	57
15	49	49	50	51	51	52	52	53	53	54	55	55	56	56	57	58
16	49	50	50	51	51	52	52	53	53	54	55	55	56	56	57	58
17	50	50	51	51	52	52	53	53	54	54	55	56	56	57	57	59
18	50	51	51	52	52	53	53	54	54	55	55	56	57	57	58	59
19	51	51	52	52	53	53	54	54	55	55	56	57	57	58	58	60
20	51	52	52	53	53	54	54	55	55	56	56	57	58	58	59	60
21	51	52	53	53	54	54	55	56	56	57	57	58	58	59	59	61
22	52	52	53	54	54	55	55	56	56	57	57	58	59	59	60	61
23	52	53	54	54	55	55	56	56	57	57	58	58	59	60	60	62
24	53	53	54	55	55	56	56	57	57	58	58	59	60	60	61	62
25	53	54	54	55	56	56	57	58	58	59	59	60	61	61	62	63
26	54	54	55	55	56	57	57	58	58	59	59	60	60	61	62	63
27	54	55	55	56	57	57	58	58	59	59	60	60	61	62	63	64
28	54	55	56	56	57	58	58	59	59	60	60	61	62	63	63	64
29	55	55	56	57	57	58	58	59	59	60	61	61	62	63	63	65
30	55	56	57	57	58	58	59	59	60	60	61	62	62	63	64	65
31	56	56	57	58	58	59	59	60	60	61	62	62	63	64	64	66
32	56	57	57	58	58	59	59	60	61	61	62	63	63	64	65	66
33	57	57	58	59	59	60	61	61	61	62	63	63	64	65	65	67
34	57	58	58	59	59	60	60	61	62	62	63	64	64	65	66	67
35	57	58	59	59	60	61	61	61	62	63	63	64	65	66	67	68
36	58	58	59	59	60	61	61	62	62	63	63	64	65	66	67	68
37	58	59	59	60	61	61	62	62	63	63	64	64	65	66	67	69
38	59	59	60	61	61	62	62	63	63	64	64	65	66	67	68	69
39	60	60	61	61	62	62	63	63	64	64	65	65	66	67	67	68
40	60	60	61	61	62	62	63	64	64	65	65	66	66	67	67	69
41	60	61	61	62	62	63	63	64	64	65	66	67	67	68	69	70
42	60	61	62	62	63	63	64	64	65	65	66	67	68	69	70	71
43	61	61	62	63	63	64	64	65	65	66	67	67	68	69	70	71
44	61	62	63	63	64	64	65	66	66	67	67	68	68	69	70	72
45	62	62	63	64	65	65	66	66	67	67	68	69	70	70	71	73
46	62	63	64	64	65	66	66	67	67	68	69	70	71	72	72	73
47	62	63	64	65	65	66	66	67	68	68	69	70	71	72	73	74
48	63	64	64	65	66	66	67	67	68	69	70	70	71	72	73	74
49	63	64	65	66	66	67	68	69	69	70	71	72	72	73	74	75
50	64	65	65	66	67	68	68	69	70	71	71	72	73	74	74	75

ITEMS WITH A "NET COST" OF FROM 50½¢ TO 58¢

Net cost (per unit)	50½¢	51¢	51½¢	52¢	52½¢	53¢	53½¢	54¢	54½¢	55¢	55½¢	56¢	56½¢	57¢	57½¢	58¢
Mark-up (percent)	Cents															
6	54	54	55	55	56	56	57	57	58	58	59	59	60	60	61	61
7	54	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62
8	55	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63
9	55	56	56	57	57	58	58	59	59	60	60	61	62	62	63	64
10	56	56	57	57	58	58	59	59	60	60	61	61	62	62	63	64
11	56	57	57	58	58	59	59	60	60	61	61	62	62	63	64	64
12	57	57	58	58	59	59	60	60	61	61	62	62	63	64	64	65
13	57	58	58	59	59	60	60	61	61	62	62	63	63	64	65	66
14	58	58	59	59	60	60	61	61	62	62	63	63	64	64	65	66
15	58	59	59	60	60	61	61	62	62	63	63	64	64	65	66	67
16	59	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67
17	59	60	60	61	61	62	63	63	64	64	65	66	66	67	67	68
18	60	60	61	61	62	63	63	64	64	65	65	66	66	67	67	68
19	60	61	61	62	62	63	64	64	65	65	66	67	67	68	68	69
20	61	61	62	62	63	64	64	65	65	66	66	67	67	68	68	70
21	61	62	62	63	63	64	64	65	65	66	67	67	68	68	69	70
22	62	62	63	63	64	64	65	66	66	67	67	68	68	69	70	71
23	62	63	63	64	64	65	65	66	66	67	67	68	68	69	70	71
24	63	64	64	64	65	66	66	67	68	68	69	69	70	71	71	72
25	63	64	64	65	66	66	67	68	68	69	69	70	71	71	72	73
26	64	64	65	66	66	67	67	68	68	69	69	70	71	72	72	73
27	64	65	65	66	67	67	68	69	69	70	70	71	72	72	73	74
28	65	65	66	67	67	68	68	69	70	70	71	72	72	73	74	74
29	65	66	66	67	68	68	69	70	70	71	72	72	73	74	74	75
30	66	66	67	68	68	69	69	70	70	71	72	72	73	73	74	75
31	66	67	68	69	69	70	71	71	72	72	73	73	74	74	75	76
32	67	68	68	69	70	70	71	72	72	73	73	74	74	75	75	77
33	68	68	69	70	70	71	72	72	73	73	74	74	75	76	76	78
34	68	69	69	70	70	71	72	72	73	73	74	74	75	76	76	78
35	68	69	70	70	71	71	72	72	73	73	74	74	75	76	77	78
36	69	69	70	71	71	72	72	73	73	74	74	75	75	76	77	79
37	69	70	71	71	72	72	73	73	74	74	75	75	76	77	78	79
38	70	70	71	72	72	73	74	75	75	76	77					

TABLE C—RETAIL CEILING PRICES OBTAINED BY APPLYING ANY GIVEN MARK-UP TO ANY GIVEN NET COST—Continued
ITEMS WITH A "NET COST" OF FROM 58½¢ TO 60½¢

Net cost (per unit)	58½¢	59¢	59½¢	60¢	60½¢	61¢	61½¢	62¢	62½¢	63¢	63½¢	64¢	64½¢	65¢	65½¢	66¢	66½¢
Mark-up (percent):	Cents																
6	62	63	63	64	64	65	65	66	66	67	67	68	68	69	69	70	70
7	63	63	64	64	65	65	66	66	67	67	68	68	69	70	71	71	71
8	63	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72
9	64	64	65	65	66	66	67	68	68	69	69	70	70	71	71	72	72
10	64	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73
11	65	65	66	67	67	68	68	69	69	70	70	71	72	72	73	73	74
12	66	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	74
13	66	67	67	68	68	69	69	70	71	71	72	72	73	73	74	75	75
14	67	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76
15	67	68	68	69	70	70	71	71	72	72	73	74	74	75	75	76	76
16	68	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77
17	68	69	70	70	71	71	72	73	73	74	74	75	75	76	77	77	78
18	69	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	78
19	70	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79
20	70	71	71	72	73	73	74	74	75	76	76	77	77	78	79	79	80
21	71	71	72	73	73	74	74	75	75	76	76	77	77	78	79	80	80
22	71	72	73	73	74	74	75	75	76	76	77	77	78	79	80	81	81
23	72	73	73	74	74	75	76	76	77	77	78	79	79	80	81	81	82
24	73	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	82
25	73	74	74	75	76	76	77	78	78	79	79	80	81	81	82	83	83
26	74	74	75	76	76	77	77	78	78	79	79	80	81	81	82	83	84
27	74	75	76	76	77	77	78	78	79	79	80	81	82	83	83	84	84
28	75	76	76	77	77	78	79	79	80	81	81	82	83	83	84	84	85
29	75	76	77	77	78	78	79	79	80	81	81	82	83	83	84	84	85
30	76	77	77	78	79	79	79	80	81	81	82	83	83	84	84	85	86
31	77	77	78	78	79	79	80	81	81	82	83	83	84	84	85	86	87
32	77	78	79	80	81	81	82	82	83	83	84	84	85	86	86	87	88
33	78	78	79	80	81	81	82	82	83	83	84	84	85	86	86	87	88
34	78	79	80	80	81	82	82	83	83	84	84	85	86	86	87	88	89
35	79	80	81	81	82	82	83	84	84	85	85	86	87	88	88	89	90
36	80	80	81	82	82	83	83	84	84	85	85	86	87	88	89	90	91
37	80	81	82	83	83	84	84	85	85	86	86	87	88	88	89	90	91
38	81	82	83	83	84	85	85	86	86	87	87	88	88	89	89	90	92
39	81	82	83	84	85	86	86	87	87	88	88	89	89	90	91	92	93
40	82	83	83	84	85	86	86	87	87	88	88	89	90	91	92	92	93
41	82	83	84	85	86	87	87	88	88	89	89	90	91	92	92	93	94
42	83	84	85	86	87	87	88	88	89	89	90	91	92	92	93	94	94
43	84	85	86	87	87	88	88	89	89	90	91	92	92	93	94	94	95
44	84	85	86	87	88	88	89	89	90	91	91	92	92	93	94	94	96
45	85	86	87	88	88	89	89	90	91	91	92	93	94	94	95	96	96
46	85	86	87	88	88	89	89	90	91	91	92	93	94	94	95	96	97
47	86	87	88	88	89	90	90	91	91	92	93	93	94	95	95	96	97
48	87	87	88	89	90	90	91	92	92	93	93	94	95	95	96	97	98
49	87	88	89	89	90	91	92	92	93	94	95	95	96	97	98	98	99
50	88	89	89	90	91	92	92	93	94	95	95	96	96	97	98	98	100

ITEMS WITH A "NET COST" OF FROM 67¢ TO 75¢

Net cost (per unit)	67¢	67½¢	68¢	68½¢	69¢	69½¢	70¢	70½¢	71¢	71½¢	72¢	72½¢	73¢	73½¢	74¢	74½¢	75¢
Mark-up (percent):	Cents																
6	71	72	72	73	74	74	75	75	76	76	77	77	78	78	79	79	80
7	72	72	73	73	74	74	75	75	77	77	78	78	79	79	80	80	80
8	72	73	73	74	75	75	76	76	77	78	78	79	79	80	80	81	81
9	73	74	74	75	75	76	76	77	77	78	78	79	80	80	81	81	82
10	74	74	75	75	76	76	77	78	78	79	79	80	81	81	82	82	83
11	74	75	75	76	77	77	78	78	79	79	80	80	81	82	82	83	83
12	75	76	76	77	77	78	78	79	80	80	81	81	82	82	83	83	84
13	76	76	77	77	78	78	79	79	80	80	81	81	82	82	83	84	85
14	76	77	78	78	79	79	80	80	81	81	82	82	83	83	84	84	85
15	77	78	78	79	79	80	80	81	81	82	82	83	83	84	85	85	86
16	78	78	79	79	80	81	81	82	82	83	84	84	85	85	86	86	87
17	78	79	80	81	81	82	82	83	84	84	85	85	86	86	87	87	88
18	79	80	81	81	82	82	83	83	84	84	85	85	86	86	87	87	89
19	80	81	81	82	82	83	83	84	84	85	85	86	86	87	87	88	89
20	80	81	82	82	83	83	84	84	85	85	86	86	87	88	88	89	90
21	81	82	82	83	83	84	84	85	85	86	86	87	87	88	89	90	91
22	82	82	83	84	84	85	85	86	86	87	87	88	88	89	90	91	92
23	82	83	84	84	85	85	86	86	87	87	88	88	89	90	91	92	92
24	83	84	85	86	87	87	88	88	89	89	90	91	91	92	93	93	94
25	84	85	86	87	87	88	88	89	89	90	91	91	92	93	93	94	95
26	84	85	86	87	87	88	88	89	89	90	91	91	92	93	93	94	95
27	85	86	86	87	88	88	89	89	90	91	91	92	93	93	94	95	95
28	86	86	87	88	88	89	89	90	91	91	92	92	93	94	94	95	96
29	86	87	88	88	89	89	90	90	91	91	92	92	93	94	95	96	97
30	87	88	88	89	89	90	90	91	91	92	92	93	93	94	95	96	97
31	88	89	89	90	91	92	92	93	93	94	94	95	95	96	97	98	98
32	88	89	90	91	92	92	93	93	94	94	95	95	96	97	98	98	99
33	89	90	91	92	92	93	93	94	94	95	95	96	96	97	98	98	

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(b) *Instructions for use of Table A, Table B, and Table C.* Tables A and B contain the mark-ups for all commodities in this regulation. Table C is included to assist you in determining ceiling prices without burdensome calculations.

Table A lists by commodity groups the "dry groceries" covered by this regulation and the mark-ups to be used by Group 1 and Group 2 retailers in figuring their ceiling prices. Table B gives the same information for "perishables." However, in addition, Table B also lists the selling units, on the basis of which retailers must figure their net costs and ceiling prices for "perishables." For a detailed list of the items in each commodity group, see "Commodity definitions of dry groceries" printed immediately after Table A, and the "Commodity definitions of perishables" printed immediately after Table B. After you have determined your "net cost" for an item in accordance with the method set up in this regulation, find your proper mark-up in the commodity group which includes the item you are pricing. Commodity groups are listed at the left of Table A and Table B. Directly opposite each commodity group you will find a percentage mark-up for your group of retailers.

If a percentage mark-up is shown, you get your ceiling price for the item by turning to Table C, which shows the ceiling price for all items with per unit net costs ranging from $\frac{1}{2}$ to 75 cents. Percentage mark-ups over net cost are listed in the column at the extreme left of Table C, and "net cost" across the top of the table. "Net cost per unit" means, in the case of dry groceries, the "net cost" of a single unit (one can, one jar, etc.). For perishables, it means the "net cost" of the selling unit listed in the last column of Table B.

To determine your ceiling price from Table C, find your net cost at the top of the table. Go down that column until you come to the figure (in that column) on the same line as your mark-up. The figure at that point is your ceiling price for the item.

If your net cost per unit is more than 75 cents, you cannot use Table C to get your ceiling price. In those cases, you must (1) multiply your net cost by your percentage mark-up, (2) add the result to your net cost, and (3) round the sum to the nearest whole cent. For perishables, your net cost must be in terms of the selling unit specified in Table B.

Example. A Group 1 retailer wishes to figure a new ceiling price for "XX Brand," 11 oz. canned tomato soup, which he must put into effect by April 30, 1951, in accordance with section 3. In figuring his ceiling price, his "net cost" must be based on a purchase of a customary quantity from a customary type of supplier delivered to his "usual receiving point" by a customary means of delivery. Therefore, if prior to April 30, 1951, a Group 1 retailer's most recent purchase was five cases of XX Brand, 11 oz. canned tomato soup which he has purchased from a wholesaler (his customary type of supplier), at a delivered cost of \$4.60 a case (48 cans), he must under sections 3 and 4 figure and put into effect a new ceiling price for the item by April 30, 1951. This is the most recent delivery of a customary quantity of the item he has received prior to April 30th (from his customary type of supplier delivered to his usual receiving

point by a customary means of delivery). He must first figure, to the nearest half cent, his "net cost" on a single unit basis (section 4 (a) (2)), that is, for a single can. He therefore divides the cost for the case, \$4.60, by the number of single units in the case, 48, and gets a result of \$0.0958, before rounding. Rounding to the nearest half cent, this becomes \$0.095 (if the figure had been \$0.0924 before rounding, he would have rounded to \$0.09). He then turns to Table A to find the markup to be applied to his net cost. Going down the column at the left of Table A he will find a listing of the commodity group which includes the item he is pricing. For canned tomato soup, this group is "soups, (canned)." Going across the page on that line, he will find his markup for the item in the column for Group 1 retailers. In this case his markup is 27 percent. Having his markup and net cost, Table C will give him his ceiling price without computations. Checking across the top of Table C, he finds a column headed by his net cost, \$0.095. Going down this \$0.095 column until he comes to the figure on the same line as the 27 percent markup listed in the column at the extreme left of Table C, he will find a ceiling price for the item to be \$0.12 per can.

Effective date. This regulation shall become effective on the 5th day of April 1951.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

MARCH 28, 1951.

[F. R. Doc. 51-3924; Filed, Mar. 28, 1951;
5:14 p. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-5, as Amended, Mar. 26, 1951]

M-5—RATED ORDERS FOR ALUMINUM

This amendment to NPA Order M-5, dated March 7, 1951, is found necessary and appropriate to promote the national defense and is issued pursuant to the Defense Production Act of 1950. In the formulation of this order there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. In the formulation of this amendment, however, such consultation has been rendered impracticable due to the necessity for immediate action.

This amendment affects NPA Order M-5 by increasing each of the percentages included in section 5 (b) and in section 6 (a) and 6 (b) by 15 percent, and the percentage in section 7 by 20 percent.

As amended, this order now reads as follows:

Sec.

1. What this order does.
2. Aluminum forms and products to which this order applies.
3. Required delivery dates.
4. Rejection of rated orders.

Sec.

5. Limitations for acceptance of rated orders.
6. Total tonnage limitation for acceptance of rated orders.
7. Distributors and jobbers.
8. Scheduled programs.
9. NPA assistance in placing rated orders.
10. Adjustments and exceptions.
11. Communications.
12. Reports.
13. Violations.

AUTHORITY: Sections 1 to 13 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. What this order does. This order applies particularly to primary and secondary producers, fabricators, distributors and jobbers of aluminum and provides rules for placing, accepting, and scheduling rated orders for aluminum. Its purpose is to make possible maximum production of aluminum by reducing to a minimum disruption of normal distribution and by providing equitable distribution of rated orders among all aluminum producers and fabricators and all distributors and jobbers of aluminum. It supplements NPA Reg. 2, but only those provisions of Reg. 2 which are contradictory to this order are superseded, and all other provisions of that regulation continue to apply to the aluminum industry.

SEC. 2. Aluminum forms and products to which this order applies. This order applies to the following forms and products of aluminum.

Rod and bar.
Wire (under $\frac{3}{8}$ "').
Cable (electrical transmission only).
Rivets.
Forgings and pressings (before machining).
Impact extrusions.
Castings.
Rolled structural shapes (angles, channels, zees, tees, etc.).
Extruded shapes.
Sheet, strip and plate.
Slugs.
Foil.
Tubing.
Tube blooms.
Powder (including atomized, granular, flake, paste and pigment).
Ingot, pig, billets, slabs.

SEC. 3. Required delivery dates. A rated order for aluminum in the forms listed in section 2 must specify shipment on a particular date or during a particular month, which in no case may be earlier than required by the person placing the order. The producer of aluminum must schedule the order for shipment within the requested month as close to the requested shipment date as is practicable considering the need for maximum production.

SEC. 4. Rejection of rated orders. Producers and fabricators of aluminum in the forms listed in section 2 need not accept a rated order which is received less than 60 days prior to the first day of the month in which shipment is requested, unless specifically directed to accept the order by the National Production Authority.

SEC. 5. Limitations for acceptance of rated orders. Subject to the tonnage

limitation stated in section 6 and unless specifically directed by the National Production Authority:

(a) In order to make provision for a supply of metal to independent fabricators of aluminum, producers of primary aluminum shall accept rated orders from such fabricators up to 11½ percent of their scheduled production each month of primary pig and ingot;

(b) No aluminum producer or fabricator shall be required to accept rated orders for the products listed below for shipment in any one month in excess of the following percentages of his average monthly shipments of such products during the first eight months of 1950:

	Percent
Sheet (coiled and flat), plate, circles, and blanks	55
Extrusions and tubing	60
Rolled shapes	45
Rod, bar, wire, and cable	50
Forgings and pressings	75
Castings	55
Secondary ingots	60
All other mill products, each	55

SEC. 6. *Total tonnage limitation for acceptance of rated orders.* Unless specifically directed by the National Production Authority:

(a) No producer of primary aluminum shall be required to accept rated orders for shipment in any one month of a total tonnage of aluminum products, including pig and ingot, in excess of 60 percent of his scheduled production in terms of total primary pig tonnage for that month; no producer of secondary aluminum shall be required to accept rated orders for shipment in any one month of a total tonnage of aluminum products, including ingots, in excess of 60 percent of his scheduled production in terms of total ingot tonnage for that month;

(b) No fabricator of aluminum shall be required to accept rated orders for shipment in any one month of a total tonnage of aluminum products in excess of 60 percent of his average monthly shipments during the first 8 months of 1950.

SEC. 7. *Distributors and jobbers.* Unless specifically directed by the National Production Authority, no distributor or jobber of aluminum products shall be required to accept rated orders for shipment in any one month of a total tonnage of aluminum products in excess of 45 percent of the products available to him during such month.

SEC. 8. *Scheduled programs.* The National Production Authority will from time to time approve scheduled programs calling for the production and delivery of aluminum products for stated purposes over specified periods of time. Upon approval of major programs of this type, supplements to this order will be issued describing such programs and specifying the manner in which they are to be carried out by the Aluminum Industry. Thereafter, directives will be issued to individual concerns establishing schedules for their participation in such programs. Such directives shall be complied with by the recipients in accordance with the terms thereof, unless otherwise directed by the National Production Authority.

SEC. 9. *NPA assistance in placing rated orders.* Any person who is unable to place a rated order for aluminum due to the limitations imposed by sections 5, 6 or 7 should apply to the National Production Authority, Light Metals Division, Washington 25, D. C., Ref. M-5, specifying the producers, fabricators, distributors or jobbers who refused to accept the order. The National Production Authority will arrange to assist him in locating sources of supply.

SEC. 10. *Adjustments and exceptions.* Any person affected by any provision of this order may file a request for adjustment or exception upon the ground that such provision works an unreasonable hardship upon him not suffered generally by others in the same trade or industry or that its enforcement against him would not be in the interest of national defense. Each request shall be in writing and shall set forth all pertinent facts and the nature of the relief sought, and shall state the reasons why denial of the request could result in undue and exceptional hardship.

SEC. 11. *Communications.* All communications concerning this order shall be addressed to National Production Authority, Washington 25, D. C., Ref: M-5.

SEC. 12. *Reports.* Persons subject to this order shall make such records and submit such reports to the National Production Authority as it shall require, subject to the terms of the Federal Reports Act.

SEC. 13. *Violations.* Any person who wilfully violates any provision of this order or any other order or regulation of the National Production Authority or wilfully conceals a material fact or furnishes false information in the course of operation under this order is guilty of a crime and upon conviction may be punished by fine or imprisonment or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

This order, as amended, shall take effect on April 1, 1951.

NATIONAL PRODUCTION
AUTHORITY,
[SEAL] MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-3861; Filed, Mar. 27, 1951;
2:22 p. m.]

[NPA Order M-12, as Amended, Mar. 9, 1951,
Direction 2]

M-12—USE OF COPPER AND COPPER-BASE ALLOYS

DIR. 2—BASE PERIOD; APPLICATIONS FOR ADJUSTMENT; USE DURING THE SECOND CALENDAR QUARTER OF 1951

The following direction is issued under NPA Order M-12 as amended March 9, 1951. This direction relates to the permitted use of the forms and products of copper which are specified in section 3 of the order during the second calendar quarter of 1951.

SECTION 1. (a) (1) Paragraph (c) of section 6 of the order states that no person shall use in manufacture, installation, or construction "During the calendar quarter commencing on April 1, 1951, a total quantity by weight of the forms and products of copper defined in paragraphs (a), (b), (c), and (d) of section 3 (including copper forms and products produced under toll and conversion agreements or other similar arrangements) in excess of 75 percent of his average quarterly use of such copper during the base period: *Provided, however,* That such use in any one month shall not exceed 40 percent of the permitted use."

(2) Paragraph (d) of section 6 states that no person shall manufacture or use in installation or construction "During each of the calendar quarters commencing on January 1, 1951, and April 1, 1951, a total quantity by weight of foundry products in excess of 100 percent of his average quarterly use of such products during the base period."

(b) Section 8 of the order states: "Unless specifically directed by the National Production Authority, during the calendar quarter commencing on January 1, 1951, and each calendar quarter thereafter, no person shall use for maintenance, repair, and operating supplies a quantity by weight of the forms and products of copper defined in paragraphs (a), (b), (c), (d), and (e) of section 3 in excess of 100 percent of his average quarterly use for such purposes during the base period."

(c) "Base period" is defined by section 2 (b) as the 6-month period ending June 30, 1950.

(d) Section 12 states, in part, that "any person affected by any provision of this order may file a request for adjustment or exception upon the ground that his business operation was commenced during or after the base period, or because any provision otherwise works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry. * * *"

(e) A number of requests for adjustment have been filed with the National Production Authority upon the ground that the application of the base period to the applicants' business operations caused undue hardship upon the applicants by reason of the fact that their business operations were substantially interrupted during the base period. This direction will constitute a determination of adjustment with respect to the limitations stated in section 6 (c) and (d) and section 8 of the order in such cases, whether or not applications for adjustment have been filed with the National Production Authority under section 12 thereof. This determination is subject, however, to the conditions hereinafter stated.

Direction. In any case in which production or manufacturing operations or construction was shut down or suspended for more than 15 consecutive calendar days, the applicant in determining its average quarterly use during the base period may exclude from the base period specified in the order the month or months in which the shut-down or suspension existed and may calculate the

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same to be three times its average monthly use during the base period as above determined.

Illustration 1: The A company was shut down from March 16 through April 5, 1950. Its base period will comprise the months of January, February, May, and June 1950. Its average monthly use will be one-fourth of its total use during these months, and its average quarterly use will be three times this average monthly use.

Sec. 2. (a) The above determination of adjustment is subject to the following conditions: (1) That every person relying on this determination will, promptly after the date of the issuance of this direction, prepare a detailed written record of the facts relating to the application of the determination to his operations which will be signed by such person or by an authorized officer or representative; and (2) that such record shall be retained for at least 2 years and will be made available at his usual place of business for inspection and audit by duly authorized representatives of the National Production Authority.

(b) The National Production Authority reserves the right to modify or revoke adjustments made pursuant to this Direction No. 2. Any person affected by such a modification or revocation will be notified in writing of the nature of the action taken and the reasons therefor. Such actions will be effective upon such date or dates subsequent to the date of the notification as are specified therein.

(Sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong., sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61)

NOTE: All reporting and record-keeping requirements of this direction have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This direction shall take effect on March 27, 1951.

NATIONAL PRODUCTION AUTHORITY,
MANLY FLEISCHMANN,
Administrator.

[SEAL]
[F. R. Doc. 51-3862; Filed, Mar. 27, 1951;
2:22 p. m.]

[NPA Order M-33, as Amended Mar. 27, 1951]

M-33—MOLYBDENUM—DISTRIBUTION AND USE

This order as amended is found necessary and appropriate to promote the national defense and is issued pursuant to the authority of section 101 of the Defense Production Act of 1950. In the formulation of this order as amended there has been consultation with industry representatives, and consideration has been given to their recommendations. Consultation with trade association representatives was impossible because there is no trade association. Consultation with representatives of all trades and industries affected in advance of the issuance of this order was impracticable because the order affects a large number of different trades and industries.

This order as amended constitutes a completely new order and as of its effective date rescinds all sections of NPA Order M-33 as issued January 27, 1951, but all provisions of NPA Order M-33 as issued January 27, 1951, shall be and remain in full force and effect as to transactions preceding the effective date of this order as amended.

NPA Order M-33, as amended, reads as follows:

Sec.

1. What this order does.
2. Definitions.
3. Relation to other regulations and orders.
4. Substitution required.
5. Allocation authorization required.
6. Exceptions to allocation requirements.
7. Conservation of scrap.
8. Limitations on inventory.
9. Records to be kept.
10. Audit and inspection.
11. Reports.
12. Adjustments and exceptions.
13. Communications.
14. Violations.

AUTHORITY: Sections 1 to 14 issued under sec. 704, Pub. Law 774, 81st Cong. Interpret or apply sec. 101, Pub. Law 774, 81st Cong.; sec. 101, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.; sec. 2, E. O. 10200, Jan. 3, 1951, 16 F. R. 61.

SECTION 1. What this order does. The purpose of this order is to conserve and to provide for the distribution and use of molybdenum, as hereinafter defined, so as best to serve the interests of the national defense program and of defense supporting activities. It makes molybdenum subject to allocation. It prohibits, subject to certain exceptions, deliveries of molybdenum, except by authorizations to be issued monthly by the National Production Authority (hereinafter called "NPA").

Sec. 2. Definitions. As used in this order:

(a) "Person" means any individual, corporation, partnership, association, or any other organized group of persons and includes any agency of the United States or any other government.

(b) "Molybdenum" means and includes molybdenum metal powder, wire, rod, or sheet; ferro-molybdenum; molybdenum oxide; all primary molybdates; all primary molybdenum compounds used as a source of molybdenum in any manufacturing process; all scrap molybdenum metal; and all other scrap, waste materials, and residues containing commercially recoverable molybdenum.

Sec. 3. Relation to other regulations and orders. The provisions of this order supersede all NPA regulations and orders to the extent that they are in conflict herewith, but in all other respects such regulations and orders continue in full force and effect. NPA may, from time to time, issue directives as to deliveries or use of molybdenum and, unless otherwise provided therein, such directives will prevail over the provisions of this order.

Sec. 4. Substitution required. No person, whether pursuant to a DO rated order or otherwise, shall incorporate any molybdenum into any product or material in any case in which the incorporation of a substitute or substitutes will

meet the requirements for use to be made of any such product or material.

Sec. 5. Allocation authorization required. (a) After May 1, 1951, no person shall deliver or accept delivery of or use molybdenum (except scrap molybdenum metal or other scrap, waste materials, and residues containing molybdenum) in any month except in accordance with the terms of an allocation authorization issued for such month by NPA in accordance with this section. In the case of a person who keeps separate inventory records for any separate operating or producing units, each such separate operating or producing unit shall be deemed a person for purposes of this section.

(b) NPA may, from time to time, allocate the supply of molybdenum and specifically direct the manner and quantities in which deliveries to particular persons or for particular uses may be made or withheld. Any person seeking to place a purchase order for molybdenum may be required to place the same with one or more specified suppliers.

(c) An application for an allocation must be filed with NPA by the applicant on Form NPAF-15 and Form NPAF-48, not later than 45 days preceding the first day of the month in which delivery is sought. An application for an allocation for delivery in May 1951 must be filed not later than April 15, 1951. Each application must furnish all information required by said forms, including information concerning scrap, waste materials, and residues.

(d) The authorization allocation (Form NPAF-48) issued will be sent by NPA to the appropriate supplier or suppliers and a copy furnished to the purchaser. The authorization will require a supplier to make delivery to the extent of the purchaser's orders within the limits of the authorization.

Sec. 6. Exceptions to allocation requirements. The provisions of section 5 of this order shall not apply to:

(a) Deliveries to the General Services Administration, or any other duly authorized governmental agency, for the purposes of stockpiling.

(b) Deliveries to any person whose total receipts from all sources during the calendar month in which such deliveries are received are not thereby made to exceed 200 pounds of contained molybdenum, and who delivers a signed certification to his supplier as follows:

Certified under M-33

Such certification constitutes a representation to the supplier and to NPA that the purchaser is authorized under the provisions of this order to accept delivery of molybdenum as permitted in this order, and that his receipt of the shipment in the amount requested, during the month of specified delivery, will not bring his total receipts of molybdenum during that month above 200 pounds of contained molybdenum. The exception afforded by this paragraph (b) to the requirements of section 5 of this order shall not extend to deliveries of molybdenum metal powder, wire, rod, or sheet, every delivery, receipt or use of which or of any of which shall, except as provided

in paragraph (a) of this section, be subject to the requirements of section 5 of this order.

(c) Deliveries of molybdenum-bearing ores and concentrates.

(d) Deliveries of scrap molybdenum metal.

(e) Deliveries of other molybdenum-bearing scrap.

SEC. 7. *Conservation of scrap.* No person shall dispose of any scrap, waste material, or residue (other than scrap molybdenum metal) containing commercially recoverable molybdenum which is fit for remelting except for use in the production of molybdenum-bearing steel.

SEC. 8. *Limitations on inventory.* No person shall place an order for or shall accept delivery of molybdenum metal powder, wire, rod, or sheet at a time when his inventory exceeds, or by acceptance of such delivery would be made to exceed, 60 days' requirements at his then scheduled rate and method of operation. No person shall place an order for or shall accept delivery of any other form of molybdenum at a time when his inventory exceeds, or by acceptance of such delivery would be made to exceed, 45 days' requirements at his then scheduled rate and method of operation. Any person who, on the effective date of this order or at any other time, has outstanding orders for molybdenum for delivery in quantities greater than he would be permitted to receive under this section shall forthwith notify his supplier of the extent to which delivery cannot be accepted as scheduled, and such orders shall be adjusted accordingly. Imported as well as domestic molybdenum, except when such imported molybdenum has been purchased for resale, is subject to this section and is therefore to be included in computing inventory. Molybdenum which has been subjected to minor processing, but has not yet been actually incorporated into a finished or partially finished product, is likewise to be included in computing inventory. This section is applicable irrespective of

whether or not any such orders or deliveries are made in accordance with an allocation authorization. In the case of a person who keeps separate inventory records for any separate operating or producing units, each such separate operating or producing unit shall be deemed a person for purposes of this section.

SEC. 9. *Records to be kept.* Each person participating in any transaction covered by this order shall retain in his possession for at least 2 years records of receipts, deliveries, inventories, and use, in sufficient detail to permit an audit that determines for each transaction that the provisions of this order have been met. This does not specify any particular accounting method and does not require alteration of the system of records customarily maintained, provided such records supply an adequate basis for audit. Records may be retained in the form of microfilm or other photographic copies instead of the originals.

SEC. 10. *Audit and inspection.* All records required by this order shall be made available at the usual place of business where maintained for inspection and audit by duly authorized representatives of NPA.

SEC. 11. *Reports.* (a) Every person who at any time in a calendar month had in his possession or under his control or who during a calendar month consumed more than 200 pounds of molybdenum (i. e., molybdenum content) shall report to NPA on Form NPAF-15 on or before the 15th day of the following month. However, if he applies on such form for an allocation of molybdenum for delivery during a succeeding month, his application serves also as the required report.

(b) Persons subject to this order shall make such records and submit such reports to NPA as it shall require, subject to the terms of the Federal Reports Act (5 U. S. C. 139-139F).

SEC. 12. *Adjustments and exceptions.* Any person affected by any provision of this order may file a request for an adjustment or exception upon the ground

that such provision works an undue or exceptional hardship upon him not suffered generally by others in the same trade or industry, or that its enforcement against him would not be in the interest of the national defense or in the public interest. In considering requests for adjustment claiming that the public interest is prejudiced by the application of any provision of this order, consideration will be given to the requirements of the public health and safety, civilian defense, and dislocation of labor and resulting unemployment that would impair the defense program. Each request shall be in writing and shall set forth all pertinent facts and the nature of the relief sought, and shall state the justification therefor.

SEC. 13. *Communications.* All communications concerning this order shall be addressed to the National Production Authority, Washington 25, D. C., Ref. M-33.

SEC. 14. *Violations.* Any person who wilfully violates any provision of this order, or furnishes false information or conceals any material fact in the course of operation under it, is guilty of a crime and upon conviction may be punished by fine or imprisonment, or both. In addition, administrative action may be taken against any such person to suspend his privilege of making or receiving further deliveries of materials or using facilities under priority or allocation control and to deprive him of further priorities assistance.

NOTE: All record-keeping and reporting requirements of this order have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

This order as amended shall take effect on March 27, 1951.

NATIONAL PRODUCTION AUTHORITY,

[SEAL] MANLY FLEISCHMANN,
Administrator.

[F. R. Doc. 51-3863; Filed, Mar. 27, 1951;
2:23 p. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

12 CFR, Part 1301

FLATHEAD INDIAN IRRIGATION PROJECT,
MONTANA

ORDER FIXING OPERATION AND MAINTENANCE CHARGES

MARCH 21, 1951.

Pursuant to section 4 (a) of the Administrative Procedure Act of June 11, 1946 (Pub. Law 404, 79th Cong., 60 Stat. 238), and authority contained in the acts of Congress approved August 1, 1914; May 18, 1916; and March 7, 1928 (38 Stat. 583, 25 U. S. C. 385; 39 Stat. 142; and 45 Stat. 210, 25 U. S. C. 387), and by virtue of authority delegated by the

Secretary of the Interior to the Commissioner of Indian Affairs August 28, 1946, and by virtue of the authority delegated by the Commissioner of Indian Affairs to the Regional Director September 14, 1946, which title was changed to Area Director September 13, 1949, by Order No. 2535, notice is hereby given of the intent to modify §§ 130.24, 130.26 and 130.28 of Title 25, Code of Federal Regulations, dealing with irrigable lands of the Flathead Indian Irrigation Project, Montana, that are subject to the jurisdiction of the several irrigation districts.

Charges applicable to all irrigable lands of the Flathead Indian Irrigation Project that are included in the Irrigation District Organization and are subject to the jurisdiction of the three irrigation districts.

§ 130.24 *Charges.* Pursuant to a contract executed by the Flathead Irrigation District, Flathead Indian Irrigation Project, Montana, on May 12, 1928, as supplemented and amended by later contracts dated February 27, 1929; March 28, 1934; August 26, 1936, and April 5, 1950, notice is hereby given of intention to fix an assessment of \$165,400 for the season of 1952 for the operation and maintenance of the irrigation system which serves that portion of the project within the confines and under the jurisdiction of the Flathead Irrigation District. This assessment involves an area of approximately 67,924 acres; does not include any land held in trust for Indians and covers all proper general charges and project overhead.

§ 130.26 *Charges.* Pursuant to a contract executed by the Mission Irriga-

PROPOSED RULE MAKING

tion District, Flathead Indian Irrigation Project, Montana, on March 7, 1931, approved by the Secretary of the Interior on April 21, 1931, as supplemented by later contracts June 2, 1934, and August 26, 1936, notice is hereby given of intention to fix an assessment of \$31,500 for the season of 1952 for the operation and maintenance of the irrigation system which serves that portion of the project within the confines and under the jurisdiction of the Mission Irrigation District. This assessment involves an area of approximately 12,736 acres; does not include any land held in trust for Indians, and covers all proper general charges and project overhead.

§ 130.28 Charges. Pursuant to a contract executed by the Jocko Valley Irrigation District, Flathead Indian Irrigation Project, Montana, on November 13, 1934, approved by the Secretary of the Interior on February 26, 1935, as supplemented and amended by later contracts dated August 26, 1936, and April 18, 1950, notice is hereby given of an intention to fix an assessment of \$14,200 for the season of 1952 for the operation and maintenance of the irrigation system which serves that portion of the project within the confines and under the jurisdiction of the Jocko Valley Irrigation District. This assessment involves an area of approximately 5,570 acres; does not include any land held in trust for Indians, and covers all proper general charges and project overhead.

The foregoing proposed amendments are to become effective for the irrigation season of 1952 and continue in effect thereafter until further notice.

Interested persons are hereby given opportunity to participate in preparing the proposed amendments by submitting their views, data or arguments in writ-

ing to Paul L. Fickinger, Area Director, Bureau of Indian Affairs, 804 North 29th Street, Billings, Montana, within 30 days from the date of publication of this notice of intention in the daily issue of the *FEDERAL REGISTER*.

PAUL L. FICKINGER,
Area Director.

[F. R. Doc. 51-8798; Filed, Mar. 28, 1951;
8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR, Part 179.1]

REVISION OF TRANSFER RULES AND REGULATIONS

NOTICE OF PROPOSED RULE MAKING

MARCH 26, 1951.

Pursuant to section 4 (a) of the Administrative Procedure Act (60 Stat. 237, 5 U. S. C. 1003) notice is hereby given of the proposed revision of the transfer rules and regulations (49 CFR 179.0-179.6) to include the matter of transfers involving duplicative operating rights. It is proposed to amend § 179.1 by adding thereto paragraph (e), to read as follows:

(e) (1) The Commission will not approve a transfer of operating rights to a person who controls, or who is controlled by, or who is under common control with another person who is the holder of operating rights which duplicate, in whole or in part, except to an immaterial extent, those proposed to be transferred.

(2) The Commission will not approve a transfer of operating rights for a limited period, whether by lease, operating contract, or otherwise, to a person who

is the holder of operating rights which duplicate, in whole or in part, except to an immaterial extent, those proposed to be transferred.

(3) Operating rights which authorize the transportation of passengers or of the same commodities from and to, or between, the same points shall be regarded as duplicating.

(4) Where reference is made to control in this section, such reference shall be construed to have the same meaning as that contained in section 1 (3) (b) of the Interstate Commerce Act (49 U. S. C. 1 (3) (b)).

(5) The term "holder" as used in this section means the record holder of the operating rights, including a lessor.

(6) The term "person" as used in this section means a person as defined in section 203 (a) (1) of the Interstate Commerce Act (49 U. S. C. 303 (a) (1)).

(7) This section may be suspended, in the discretion of the Commission, with respect to transfers which are proposed because of conditions resulting from national emergency.

No oral hearing is contemplated, but anyone wishing to make representations in favor of or against the proposed rule may do so through the submission of written data, views or arguments. The original and five copies of such submission shall be filed with the Commission on or before May 15, 1951.

Notice to the general public shall be given by depositing a copy in the Office of the Secretary of the Commission for public inspection and by filing a copy with the Director, Division of the Federal Register.

By the Commission, Division 5.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3621; Filed, Mar. 28, 1951;
8:51 a. m.]

NOTICES

FEDERAL POWER COMMISSION

[Project No. 2062]

PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY

NOTICE OF APPLICATION FOR LICENSE
(MAJOR)

MARCH 23, 1951.

Public notice is hereby given that Public Utility District No. 1 of Okanogan County, Okanogan, Washington, has filed application under the Federal Power Act (16 U. S. C. 791a-825r) for license for constructed major Project No. 2062, located on Similkameen River in Okanogan County, Washington, affecting public lands of the United States. The project consists of a concrete dam forming a reservoir with useful storage capacity of 212 acre-feet, two pipelines, a powerhouse containing two 2,500-horsepower turbines and two 1,600-kilowatt generators, switching equipment, a 33-kilovolt transmission line from the power plant to Oroville, Washington, and appurtenant facilities.

Any protest against the approval of this application or request for hearing thereon, with the reason for such protest or request and the name and address of the party or parties so protesting or requesting should be submitted on or before May 3, 1951, to the Federal Power Commission.

[SEAL]

LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3802; Filed, Mar. 28, 1951;
8:47 a. m.]

[Project No. 2072]

WISCONSIN MICHIGAN POWER CO.

NOTICE OF APPLICATION FOR LICENSE
(MAJOR)

MARCH 23, 1951.

Public notice is hereby given pursuant to the provisions of the Federal Power Act (16 U. S. C. 791a-825r) that Wisconsin Michigan Power Company, of Appleton,

Wisconsin, has made application for license for proposed project No. 2072 (Lower Paint Dam) to be located on Paint River in Iron County, Michigan. The proposed project would consist of a concrete gravity diversion dam about 740 feet long creating a reservoir with normal head-water at elevation 1,287 feet; a canal about 7,640 feet long with a maximum capacity of 1,700 cubic feet per second for diversion of water from the reservoir to the applicant's Peavy Falls reservoir of Project No. 1759 for use through plants on the Michigamme River; a power house at the foot of the dam containing a 155-horsepower turbine connected to a 100-kilowatt induction generator operating under a head of 22 feet; a substation; and a 6,900-volt transmission line extending from substation to applicant's Brule plant.

Any protest against approval of this application or request for hearing thereon, with the reasons for such protest or request, and address of the party or parties so protesting or requesting should be submitted on or before the 4th day

of May 1951, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3799; Filed, Mar. 28, 1951;
8:46 a. m.]

[Project No. 2073]

WISCONSIN MICHIGAN POWER CO.

NOTICE OF APPLICATION FOR LICENSE
(MAJOR)

MARCH 23, 1951.

Public notice is hereby given pursuant to the provisions of the Federal Power Act (16 U. S. C. 791a-825r) that Wisconsin Michigan Power Company, of Appleton, Wisconsin, has made application for license for proposed Project No. 2073 (Michiganamme Falls Plant) to be located on the Michiganamme River in Iron County, Michigan. The proposed project would consist of a dam about 1,390 feet long just above the mouth of Brule River; a reservoir covering about 565 acres at normal water surface elevation 1,190 feet and a gross storage capacity of about 9,100 acre-feet; a powerhouse integral with the dam containing two units each consisting of a 6,500-horsepower turbine and a 4,800-kilowatt generator; a substation; a 66-kilovolt transmission line to connect with the Applicant's existing Brule plant substation; and appurtenant facilities. The static head would be about 60 feet.

Any protest against approval of this application or request for hearing thereon, with the reasons for such protest or request, and the address of the party or parties so protesting or requesting should be submitted on or before the 4th day of May 1951, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3800; Filed, Mar. 28, 1951;
8:46 a. m.]

[Project No. 2074]

WISCONSIN MICHIGAN POWER CO.

NOTICE OF APPLICATION FOR LICENSE
(MAJOR)

MARCH 23, 1951.

Public notice is hereby given pursuant to the provisions of the Federal Power Act (16 U. S. C. 791a-825r) that Wisconsin Michigan Power Company of Appleton, Wisconsin, has made application for license for proposed project No. 2074 (Hemlock Falls Plant) to be located on Michiganamme River, Iron County, Michigan. The proposed project would consist of a dam about 360 feet long creating a reservoir with normal pool elevation at 1,338 feet extending upstream about 3.3 miles to the Way Dam; a powerhouse integral with the dam containing a 3,800-horsepower turbine connected to a 2,800-kilowatt capacity generator; a substation; a 69-kilovolt transmission line to connect with the applicant's Way Dam Plant-Crystal Falls line; and ap-

petenant facilities. The net static head will be 34 feet.

Any protest against approval of this application or request for hearing thereon, with the reasons for such protest or request, and address of the party or parties so protesting or requesting should be submitted on or before the 4th day of May 1951, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3801; Filed, Mar. 28, 1951;
8:46 a. m.]

[Project No. 2075]

WASHINGTON WATER POWER CO.

NOTICE OF APPLICATION FOR PRELIMINARY
PERMIT

MARCH 23, 1951.

Public notice is hereby given that The Washington Water Power Company, of Spokane, Washington, has filed application under the Federal Power Act (16 U. S. C. 791a-825r) for preliminary permit for proposed water power Project No. 2075 (Noxon Rapids) to be located on Clark Fork River in Sanders County, Montana, and consisting of a concrete dam at the Noxon Rapids site creating a reservoir about 17 miles long with normal water surface at elevation 2,249 feet; a powerhouse with installed capacity of 197,000 horsepower and provision for additional capacity; a 230-kv. transmission line connecting the plant with the transmission system of the Applicant; and appurtenant facilities. The preliminary permit, if issued, shall be for the sole purpose of maintaining priority of application for a license under the terms of the Federal Power Act for the proposed project.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before May 10, 1951, to the Federal Power Commission, Washington 25, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3803; Filed, Mar. 28, 1951;
8:47 a. m.]

[Docket No. G-1634]

LOUISVILLE GAS AND ELECTRIC CO.

NOTICE OF APPLICATION

MARCH 23, 1951.

Take notice that Louisville Gas and Electric Company (Applicant), a Kentucky corporation, of Louisville, Kentucky, filed on March 12, 1951, an application pursuant to section 7 of the Natural Gas Act authorizing Applicant to make available natural gas to Pittsburgh and West Virginia Gas Company (Pittsburgh) by, when possible, reducing its purchases of natural gas from Kentucky West Virginia Gas Company (Kentucky) in order to enable Kentucky to have additional gas available for delivery to its affiliate, Pittsburgh.

The application recites that Applicant, Pittsburgh and Kentucky, entered into an agreement on March 2, 1951, to carry out the proposed arrangement, the purpose being to aid Pittsburgh and its parent company, Equitable Gas Company (Equitable), to overcome their deficiencies in supply of natural gas. The agreement provides that Applicant shall be reimbursed for the difference between the rates of Kentucky and Texas Gas Transmission Corporation to the extent Applicant may reduce its monthly purchases from Kentucky below scheduled quantities.

The proposed arrangement does not involve the construction or enlargement of any facilities since deliveries are to be made through existing facilities.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the

SOUTHERN NATURAL GAS CO.

NOTICE OF APPLICATION

MARCH 23, 1951.

Take notice that Southern Natural Gas Company (Applicant), a Delaware corporation of Birmingham, Alabama, filed on March 9, 1951, an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of a line tap and meter and regulating station on Applicant's main transmission pipe line, just west of Applicant's Onward com-

11th day of April 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3805; Filed, Mar. 28, 1951;
8:47 a. m.]

[Docket No. E-6347]

MONTANA-DAKOTA UTILITIES CO.

NOTICE OF APPLICATION

MARCH 23, 1951.

Take notice that on March 21, 1951, an application was filed with the Federal Power Commission, pursuant to section 204 of the Federal Power Act, by Montana-Dakota Utilities Co., a corporation organized under the laws of the State of Delaware, and doing business in the States of Minnesota, Montana, North Dakota, South Dakota, and Wyoming, with its principal business office at Minneapolis, Minnesota, seeking an order authorizing the issuance of 230,000 shares of Common Stock, par value \$5 per share, \$3,000,000 of First Mortgage Bonds, 1% Percent Series due April 1, 1976, and \$2,000,000 of First Mortgage 1% Percent Serial Bonds, due serially \$100,000 on April 1 in each of the years 1952 to 1971, inclusive. Applicant requests an exemption from the competitive bidding requirements covering the issue and sale of the Common Stock, but proposes to issue the Bonds at competitive bidding; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard, or to make any protest with reference to said application should, on or before the 12th day of April 1951, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3806; Filed, Mar. 28, 1951;
8:48 a. m.]

[Docket No. G-1638]

MANUFACTURERS LIGHT AND HEAT CO.

NOTICE OF APPLICATION

MARCH 23, 1951.

Take notice that The Manufacturers Light and Heat Company (Applicant), a Pennsylvania corporation, of Pittsburgh, Pennsylvania, filed on March 21, 1951, an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing the construction and operation of approximately 172 miles of 16-inch, 20-inch, and 24-inch gas transmission pipeline, together with measuring stations, and river crossings, beginning at a point of connection with the 6-inch gas pipeline of Trans-Penn Transit Corporation in Gallagher Township,

NOTICES

Clinton County, Pennsylvania, extending through Clinton, Centre, Clearfield, Indiana, Westmoreland and Allegheny Counties in as direct a line as possible to a point in Allegheny County on the west side of the Monongahela River within the northern limits of the City of Clairton, and thence to a junction of certain existing pipelines of Applicant on the Tannehill farm northwest of Cannonsburg in Chartiers, Township, Washington County, Pennsylvania.

Applicant states that the purpose of the proposed facilities is for delivering gas from the producing fields in Clinton County, Pennsylvania, and vicinity, into the Pittsburgh, Pennsylvania, area where a shortage of gas existed during the peak periods of the past winter, and, in addition, gas from the proposed facilities will decrease the estimated 1951-52 deficiency of gas supply within the Columbia Gas System. Applicant estimates that the theoretical maximum capacity of the proposed line will be approximately 105,000 Mcf per day at an inlet pressure of 1,000 pounds and an outlet pressure of 300 pounds, and believes that this will be ample capacity to take care of the production which it may reasonably expect to secure through purchase or drilling in the Leidy and other Northern Pennsylvania fields.

No new markets will be served by the gas obtained, but Applicant will use such gas to help meet the requirements of its existing customers in the Pittsburgh, Pennsylvania area where a shortage of gas existed during the peak periods of the past winter.

The estimated cost of the proposed facilities is \$9,613,000, to be financed with funds obtained by Applicant from its parent company, The Columbia Gas System, Inc.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) before the 13th day of April 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-3815; Filed, Mar. 28, 1951;
8:49 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. M-25]

ISTHMIAN STEAMSHIP CO.

NOTICE OF POSTPONEMENT OF HEARING ON
APPLICATION TO BAREBOAT CHARTER GOVERNMENT-OWNED, WAR-BUILT, DRY-CARGO
VESSELS FOR USE IN THE GULF INTER-COASTAL SERVICE

Hearing in this proceeding originally scheduled to be held at Washington, D. C., on March 29, 1951, at 10 o'clock a. m., in Room 4821, Department of Commerce Building, before Examiner A. L. Jordan, upon the application of Isthmian Steamship Company to bareboat charter Government-owned, war-built, dry-cargo

vessels for use in the Gulf intercoastal service, has been postponed until April 5, 1951, at the same hour and place.

Dated: March 23, 1951.

By order of the Federal Maritime Board.

[SEAL] R. L. McDONALD,
Assistant Secretary.

[F. R. Doc. 51-3826; Filed, Mar. 28, 1951;
8:52 a. m.]

MEMBER LINES OF THE ATLANTIC CONFERENCE ET AL.

NOTICE OF AGREEMENTS FILED WITH THE BOARD FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, as amended.

Agreement No. 7840-18, between the member lines of the Atlantic Conference, modifies the basic agreement of said Conference (No. 7840) to extend the period of the year during which party organizers may be given free passages. Agreement No. 7840, as amended, covers passenger traffic between all ports of European, Mediterranean, and Black Sea countries, also ports of Morocco, Madeira and the Azores Islands—and all ports on the east coast of North America (United States, Canada and Newfoundland), also United States Gulf ports.

Agreement No. 7840-15, between the member lines of the Atlantic Conference, modifies the basic agreement of said Conference (No. 7840) to include a more complete provision governing admission of other carriers to Conference membership.

Agreement No. 7813, between Mississippi Shipping Co., Inc., and Grace Line, Inc., is a cooperative working arrangement covering booking and transportation of passengers on Around South America tours. Agreement No. 7813 will replace Agreement No. 7518 between said parties.

Agreement No. 7723-1, between Aktieselskapet Hav, Aktieselskapet Havtank and Aktieselskapet Inger, modifies the joint service agreement between the parties (No. 7723) to provide that the joint service will be under the general agency of United States Navigation Co., Inc., instead of A. L. Burbank & Co., Ltd. as presently recorded in approved agreement 7723.

Agreement No. 7688-1, between Compagnie Maritime Belge, S. A. and Compagnie Maritime Congolaise, S. C. R. L., modifies the approved joint service agreement of the parties (No. 7688) by extending the geographical scope thereof to include East Africa. Agreement 7688 as presently worded covers the trade between East Coast ports of North America (but not including transportation within the purview of the Coastwise laws of the United States) and ports in Belgium, Holland, the Mediterranean, India, Pakistan and Belgian Congo, and in seas and waters adjacent thereto and connected therewith.

Agreement No. 7350-3, between the member lines of the Spain-Portugal North Atlantic Range Conference, modifies the basic agreement of said Conference (No. 7350, as amended) to provide that any party thereto may withdraw therefrom by giving 90 days' notice. As presently worded Agreement 7350, as amended, provides that any party may withdraw at the end of any calendar year by giving three months' notice.

Agreement No. 6400-5, between the member lines of the Pacific Coast River Plate Brazil Conference, modifies the basic agreement of said Conference (No. 6400, as amended), (a) to include a clause covering the procedure to apply in the event members desire to absorb or equalize insurance differentials as between vessels of members or other carriers; (b) to include a clause governing notices of meetings and subjects to be considered; (c) to include provisions with respect to meetings with other conferences and to participation of members in agreements entered into by the Conference; (d) to clarify the language of certain provisions of the Conference agreement; and (e) to rearrange the order in which certain provisions shall appear in the conference agreement.

Agreement No. 4188-17, between the member lines of the Gulf and South Atlantic Havana Steamship Conference, modifies the basic agreement of said Conference (No. 4188, as amended) to provide that decisions with respect to rates, charges, classifications and practices for and in connection with the transportation of cargo covered by the agreement shall be by a two-thirds vote, instead of by unanimous vote as presently in effect, of the members present at a meeting.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of the agreements and their position as to approval, disapproval, or modification together with request for hearing should such hearing be desired.

By order of the Federal Maritime Board.

Dated March 26, 1951.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 51-3825; Filed, Mar. 28, 1951;
8:51 a. m.]

Office of the Secretary

APPEALS IN TRADE MARK CASES

DELEGATION OF AUTHORITY UNDER REORGANIZATION PLAN NO. 5 OF 1950

The order issued September 25, 1950, published September 28, 1950 (15 F. R. 6554) and amended by order issued January 30, 1951, published February 6, 1951

(16 F. R. 1094) is further amended (including the heading) by striking out the word "temporary" in the heading and in the last sentence, and by striking out the second sentence, so that the heading reads as set forth above and text of said order reads as follows:

Acting under the provisions of section 2 of Reorganization Plan No. 5 of 1950, I hereby authorize the several members of the Board of Appeals of the United States Patent Office who have been appointed by the President by and with the advice and consent of the Senate (35 U. S. C. 2, 7), to hear and decide appeals from decisions of the examiner in charge of interferences or of the registration of marks in trade-mark cases, either individually or in panels as may be assigned by the Commissioner of Patents. This authorization does not supersede or limit the delegation under Reorganization Plan No. 5 of 1950, filed May 24, 1950, 15 F. R. 3195.

(R. S. 161; 5 U. S. C. 22. Reorg. Plan 5 of 1950, 15 F. R. 3174)

Issued March 23, 1951.

[SEAL] THOMAS W. S. DAVIS,
Acting Secretary of Commerce.

[F. R. Doc. 51-3824; Filed, Mar. 28, 1951;
8:51 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 25945]

BENZENE HEXACHLORIDE FROM TERRE HAUTE, IND., TO MISSISSIPPI AND TENNESSEE

APPLICATION FOR RELIEF

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuld, Agent, for carriers parties to his tariff I. C. C. No. 4367, pursuant to fourth-section order No. 9800.

Commodities involved: Benzene hexachloride, carloads.

From: Terre Haute, Ind.

To: Clarksdale and Fisher, Miss., and Memphis, Tenn.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon

a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3816; Filed, Mar. 28, 1951;
8:49 a. m.]

[4th Sec. Application 25946]

BENZINE HEXACHLORIDE FROM TERRE HAUTE, IND., TO THE SOUTH

APPLICATION FOR RELIEF

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. C. Schuld, Agent, for carriers parties to his tariff I. C. C. No. 4300, pursuant to fourth-section order No. 9800.

Commodities involved: Benzene hexachloride, carloads.

From: Terre Haute, Ind.

To: Specified points in the South.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3817; Filed, Mar. 28, 1951;
8:50 a. m.]

[4th Sec. Application 25947]

IRON OR STEEL SCRAP (OLD LOCOMOTIVE AXLES) IN SOUTH

APPLICATION FOR RELIEF

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 950.

Commodities involved: Old locomotive axles, having value for remelting purposes, carloads.

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Between: Points in southern territory.
Grounds for relief: Circuitous routes and to apply over short tariff routes rates constructed on the basis of the short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 950, Supp. 142.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3818; Filed, Mar. 28, 1951;
8:50 a. m.]

an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3819; Filed, Mar. 28, 1951;
8:50 a. m.]

[4th Sec. Application 25949]

SOYBEANS FROM PENSACOLA, FLA., TO NEW ORLEANS AND OTHER GULF PORTS

APPLICATION FOR RELIEF

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: J. G. Kerr, Agent, for the Alabama Great Southern Railroad Company and other carriers named in the application.

Commodities involved: Soybeans, carloads.

From: Pensacola, Fla.
To: New Orleans, La., Gulfport and Pascagoula, Miss., and Mobile, Ala., for export.

Grounds for relief: Competition with water carriers.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 1129, Supp. 32.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3820; Filed, Mar. 28, 1951;
8:50 a. m.]

[Sec. 5a Application 31]

CHICAGO SUBURBAN MOTOR CARRIERS ASSN., INC.

APPLICATION FOR APPROVAL OF AGREEMENT

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for approval of an agreement under the

provisions of section 5a of the Interstate Commerce Act.

Filed March 23, 1951 by: Earl Girard, Attorney-in-Fact, 10 North Clark Street, Chicago 2, Ill.

Agreement involved: An agreement between and among common carriers by motor vehicle providing procedures for the initiation, consideration and establishment of rates, charges, rules and regulations governing the transportation of property in interstate or foreign commerce to, from, or between points in Illinois, Indiana, and Wisconsin, within an area extending approximately 75 miles from Chicago, Illinois.

The complete application may be inspected at the office of the Commission in Washington, D. C.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 20 days from the date of this notice. As provided by the general rules of practice of the Commission, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3844; Filed, Mar. 28, 1951;
8:57 a. m.]

[Sec. 5a Application 32]

COLUMBIA RIVER TARIFF BUREAU

APPLICATION FOR APPROVAL OF AGREEMENT

MARCH 26, 1951.

The Commission is in receipt of the above-entitled and numbered application for approval of an agreement under the provisions of section 5a of the Interstate Commerce Act.

Filed March 23, 1951 by: Thomas J. White, Attorney-in-Fact, 1100 Jackson Tower, Portland 5, Oreg.

Agreement involved: An agreement between and among common carriers by water providing procedures for the joint consideration, initiation or establishment of rates, classifications, divisions, allowances or charges (including charges between carriers and compensation paid or received for the use of facilities and equipment), or rules and regulations pertaining thereto, applicable to the transportation of property between points in Oregon, Washington and California by way of coastwise routes, and on the Columbia and Willamette Rivers and their tributaries.

The complete application may be inspected at the office of the Commission in Washington, D. C.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 20 days from the date of this notice. As provided by the general rules of practice of

the Commission, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, Division 2.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 51-3845; Filed, Mar. 28, 1951;
8:57 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2591]

UNITED GAS CORP. AND UNITED GAS PIPE
LINE CO.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 23d day of March A. D. 1951.

United Gas Corporation ("United"), a gas utility subsidiary of Electric Bond and Share Company, a registered holding company, and United's wholly owned subsidiary, United Gas Pipe Line Company ("Pipe Line"), having filed a joint application-declaration and amendment thereto pursuant to the Public Utility Holding Company Act of 1935, particularly sections 6 (a), 7, 9 (a) (1), 10, 12 (c) and 12 (f) thereof with respect to the following proposed transactions:

United proposes to borrow from time to time within a period of sixty days from the date hereof, the aggregate amount of \$25,000,000 from certain banks. Said loans will be evidenced by promissory notes, dated as of the date of the borrowing payable on or before December 31, 1951, and bearing interest at the rate of 2½ percent per annum. Proceeds from the proposed loans will be used to purchase during the next twelve months, an aggregate of \$25,000,000 principal amount of Pipe Line's First Mortgage Bonds, 4 percent series due 1971, for cash at par. The bonds to be so acquired by United will be pledged under its existing Mortgage and Deed of Trust.

Pipe Line proposes the issuance of the \$25,000,000 principal amount of its bonds to United under Pipe Line's existing Mortgage and Deed of Trust as supplemented and to be supplemented. Proceeds from the sale of the bonds by Pipe Line will be used in connection with its construction program and for general corporate purposes.

The application-declaration states that United and Pipe Line are engaged in a construction program estimated to require the expenditure of approximately \$165,000,000 during the years 1951 and 1952 for improvements to existing facilities and construction of new facilities. This program, it is stated, will require the issuance and sale of securities by United to the public, in the 12-month period ending in March, 1952, in the aggregate amount of approximately \$145,-

000,000, the nature and precise amounts of such securities to be the subject of further application to this Commission. The loans herein proposed will be repaid by United out of the issuance of such securities.

Said application-declaration having been filed on March 12, 1951, an amendment thereto having been filed on March 19, 1951, notice of said filing having been given in the form and manner required by Rule U-23 promulgated pursuant to said act, the Commission not having received a request for hearing within the time specified in said notice or otherwise, and the Commission not having ordered a hearing thereon; and

The Commission observing that the proposed borrowings constitute an appropriate method of temporary financing on the part of United and Pipe Line prior to the submission by those companies of a program for permanently financing their construction program; the Commission finding that the proposed transactions are in accordance with the applicable standards of the act, and that no adverse findings are necessary thereunder; and the Commission deeming it appropriate to grant the application herein and permit the declaration to become effective:

It is ordered, That said application-declaration, as amended, be, and the same hereby is, granted and permitted to become effective, forthwith, subject to the terms and conditions contained in Rule U-24.

By the Commission.

[SEAL]

ORVAL L. DUBoIS,
Secretary.

[F. R. Doc. 51-3811; Filed, Mar. 28, 1951;
8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 17521]

ROBERT SEGELKEN

In re: Trust under will of Robert Segelken, deceased. File No. D-28-12422; E. T. sec. 16635.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Erina Buss Wilcke, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof in and to the trust established under the will of Robert Segelken, deceased, is property payable or deliverable to, or claimed by, the aforesaid national of a designated enemy country (Germany);

3. That such property is in the process of administration by The Trust Company

of New Jersey, as trustee, acting under the judicial supervision of the New Jersey Superior Court, Chancery Division; and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3789; Filed, Mar. 27, 1951;
8:50 a. m.]

[Vesting Order 17531]

WILHELMINA HOELLER

In re: Bank accounts and securities owned by and debts owing to the personal representatives, heirs, next of kin, legatees and distributees of Wilhelmina Hoeller, deceased. F-28-14714-A-1, 2; C-1, 2; D-1, 2; F-28-14714-E-1; D-66-2246-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of Wilhelmina Hoeller, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation of First National Bank, Hays, Kansas, arising out of a checking account entitled Rev. Peter Hoeller, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same;

b. That certain debt or other obligation of the First National Bank, Hays, Kansas, arising out of a checking account entitled Rev. Peter Hoeller or Mrs. Wilhelmina Hoeller, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same;

c. Five (5) shares of no par value common capital stock of the New Marquette Chateau Building Corporation, Room

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2227, 33 North La Salle Street, Chicago, Illinois, in liquidation, evidenced by a certificate of interest numbered 151, registered in the name of Rev. Peter Hoeller covering certificate numbered 37 for 5 shares of no par common capital stock of the aforesaid corporation, said certificate of interest presently in the custody of the First National Bank, Hays, Kansas, together with all declared and unpaid dividends on the aforesaid stock, and any and all rights to receive the proceeds of liquidation due or to become due thereon, including particularly, but not limited to the distributive share of the proceeds from the sale of the sole asset of the New Marquette Chateau Building Corporation, allocable to the aforesaid shares of stock presently on deposit with Merchandise National Bank, 222 W. North Bank, Chicago, Illinois, in an account held for the New Marquette Chateau Building Corporation.

d. Eighty-five (85) shares of no par value common stock of Savings Bond & Mortgage Company, Topeka, Kansas, evidenced by certificate numbered 29, registered in the name of Peter Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with all declared and unpaid dividends thereon.

e. Eight (8) shares of capital stock of the Schoenchen Farmers Union Co-operative Association, evidenced by a certificate numbered 73, registered in the name of Rev. P. Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with all declared and unpaid dividends thereon.

f. Two (2) shares of capital stock of Premier Tire & Rubber Company, evidenced by a certificate numbered 988, registered in the name of Peter Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with all declared and unpaid dividends thereon.

g. Twenty (20) shares of preferred stock of Calmin Mortgage Corporation, evidenced by two certificates of 10 shares each, numbered 839 and 926, registered in the name of Rev. Peter Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with all declared and unpaid dividends thereon.

h. One (1) certificate of deposit for 2 shares of 8 percent cumulative preferred stock of G. L. Miller & Company, said certificate numbered 597, registered in the name of Rev. Peter Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with any and all rights thereunder and thereto.

i. Two (2) Terrill Bond & Mortgage Company 7 percent ten year coupon gold notes, of \$500 face value each, bearing the numbers A514 and A515, registered in the name of Rev. Peter Hoeller, and presently in the custody of the First National Bank, Hays, Kansas, together with any and all rights thereunder and thereto.

j. That certain debt or other obligation evidenced by a note of Genevieve A. Weiland, dated November 2, 1929, in the amount of \$500, payable to bearer

with interest at the rate of 7 percent per annum, said note presently in the custody of the First National Bank, Hays, Kansas, together with any and all accruals to the aforesaid debt or other obligation and any and all rights in, to and under the aforesaid note.

k. Two (2) shares of capital stock of the Gorham State Bank, Gorham, Kansas, evidenced by a certificate numbered 82, registered in the name of Rev. Peter Hoeller, together with all declared and unpaid dividends thereon, including particularly but not limited to those certain dividend checks on the aforesaid stock in the possession of the Gorham State Bank, Gorham, Kansas, and all rights in, to and under said checks, and

l. Two (2) shares of \$10 par value common capital stock of the New World Life Insurance Company, 618 Second Avenue, Seattle 4, Washington, a corporation organized under the laws of the State of Washington, evidenced by a certificate numbered 8450, registered in the name of the Estate of Rev. Peter Hoeller, together with all declared and unpaid dividends thereon, including particularly but not limited to those certain dividend checks on the aforesaid stock in the possession of the New World Life Insurance Company, 618 Second Avenue, Seattle 4, Washington, and all rights in, to and under said checks,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the personal representatives, heirs, next of kin, legatees and distributees of Wilhelmina Hoeller, deceased, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the personal representatives, heirs, next of kin, legatees and distributees of Wilhelmina Hoeller, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3829; Filed, Mar. 28, 1951;
8:53 a. m.]

[Vesting Order 17497]

MICHAEL BERGMAN

In re: Trust under the Will of Michael Bergman, deceased. File No. D-28-12964.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Eda A. Lange, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the issue, names unknown, of Eda A. Lange, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof in and to the trust created under the will of Michael Bergman, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by the Chase National Bank of the City of New York, as Trustee, acting under the judicial supervision of the Surrogate's Court, New York County, New York;

and it is hereby determined:

5. That to the extent that the person named in subparagraph 1 hereof and the issue, names unknown, of Eda A. Lange, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3829; Filed, Mar. 28, 1951;
8:53 a. m.]

[Vesting Order 17498]

LILLY BUSCH AND ANNABELLA ANHEUSER

In re: Trust under the Will of Lilly Busch, deceased, for the benefit of Annabella Anheuser. File No. D-28-3800-G-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Annabella Anheuser, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof in and to the trust created under the will of Lilly Busch, deceased, for the benefit of Annabella Anheuser, presently being administered by St. Louis Trust Company, 323 North Broadway, St. Louis, Missouri, as Trustee, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3830; Filed, Mar. 28, 1951;
8:54 a. m.]

[Vesting Order 17504]

WILLIAM GREWE

In re Estate of William Grewe, deceased. File No. D-28-12967.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Friederich W. A. Grewe, Margarethe Neckerman and Ursula Sieger, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees, and distributees of Alexandrine Grewe, deceased, who there is reasonable cause to believe are residents of Germany are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof in and to the Estate of William Grewe, deceased, is property payable or deliverable to, or claim by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Hyman Wank, as Administrator, acting under the judicial supervision of the Surrogate's Court of Kings County, New York;

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees, and distributees of Alexandrine Grewe, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3831; Filed, Mar. 28, 1951;
8:54 a. m.]

[Vesting Order 17514]

PAUL LOBE ET AL.

In re: Rights of Paul Lobe et al. under Annuity Contract. File No. D-28-8813-H-1.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Paul Lobe, Elsa Schmidt, nee Lobe, Hedwig Jungmann, nee Lobe, Clara Kirchbach, nee Lobe, Wanda Schierig, nee Lobe, Max Lobe, Richard Lobe, and Albert Lobe, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs, next of kin, legatees

and distributees, names unknown, of Linna B. Lobe, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That the net proceeds due or to become due under a contract of insurance evidenced by Annuity Policy No. 11626, issued by the Northwestern Mutual Life Insurance Company, Milwaukee, Wisconsin, to Minnie Koenig, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof, and the domiciliary personal representatives, heirs, next of kin, legatees and distributees, names unknown, of Linna B. Lobe, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3833; Filed, Mar. 28, 1951;
8:54 a. m.]

[Vesting Order 17515]

KATHARINA MATTERN

In re: Estate of Katharina Mattern, deceased. File No. D-28-12959.

Under the authority of the Trading with the Enemy Act, as amended Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Christina Sahler, Eva Mattern and Heinrich Mattern, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, in and to the Estate of Katharina Mattern, deceased, is property payable or deliverable to, or claimed

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by the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by Frederick F. Umlauf, as Executor, acting under the judicial supervision of the Surrogate's Court of the County of New York, New York;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3834; Filed, Mar. 28, 1951;
8:54 a. m.]

[Vesting Order 17517]

MRS. KIMIYO NAKANO

In re: Rights of Mrs. Kimiyo Nakano under Insurance Contract. File No. F-39-1332-H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mrs. Kimiyo Nakano, whose last known address is Japan, is a resident of Japan and a national of a designated enemy country (Japan);

2. That the net proceeds due or to become due under a contract of insurance evidenced by policy No. 1,545,068, issued by the Sun Life Assurance Company of Canada, Montreal, Quebec, Canada, to Kyoichi Nakano, together with the right to demand, receive and collect said net proceeds (including without limitation the right to proceed for collection against branch offices and legal reserves maintained in the United States), is property within the United States owned or controlled by, payable

or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3835; Filed, Mar. 28, 1951;
8:55 a. m.]

[Vesting Order 17518]

ANNA AMELIA NOLTE WOESTMANN

In re: Rights of Anna Amelia Nolte Woestmann under Insurance Contract. File No. 29051-H-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Amelia Nolte Woestmann, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the net proceeds due or to become due to Anna Amelia Nolte Woestmann under a contract of insurance evidenced by policy No. 6 232 050, issued by The Prudential Insurance Company of America, Newark, New Jersey, to Anne Nolte, together with the right to demand, receive and collect said net proceeds, is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on March 13, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3836; Filed, Mar. 28, 1951;
8:55 a. m.]

[Return Order 892]

RENE DE CHAMBRUN

Having considered the claim set forth below and having issued a determination allowing the claim, which is incorporated by reference herein and filed herewith,

It is ordered, That the claimed property, described below and in the Determination, including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, be returned after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Notice of Intention To Return Published, and Property

Rene de Chambrun, 52 Avenue des Champs-Elysees, Paris, France; Claim No. 41206; December 23, 1950 (15 F. R. 9270); \$1,844.81 in the Treasury of the United States. Property to the extent owned by the claimant immediately prior to the vesting thereof by Vesting Order No. 3552 (9 F. R. 3244, April 1, 1944) relating to the work entitled "I Saw France Fall, Will She Rise Again".

Appropriate documents and papers effectuating this order will issue.

Executed at Washington, D. C., on March 23, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-3838; Filed, Mar. 28, 1951;
8:55 a. m.]